Annual Report

ELECTORAL COMMISSION

2012

IEC

SOUTH AFRICA

ELECTORAL COMMISSION

SOUTH AFRICA

ANNUAL REPORT TO THE NATIONAL ASSEMBLY FOR THE
FINANCIAL YEAR ENDED 31 MARCH 2012

SOUTH AFRICA

ELECTORAL COMMISSION

ANNUAL REPORT

2011/12

The Honourable MV Sisulu

Speaker of the National Assembly

I have the honour of submitting the Annual Report of the Electoral Commission for the period 1 April 2011 to 31 March 2012.

Chairperson

Date: 30 July 2012

Chief Electoral Officer

Date: 30 July 2012

Table of contents

LIST OF TABLES iv

1. GENERAL INFORMATION 1

VISION 2

MISSION 2

VALUES 2

ORGANISATIONAL STRUCTURE 3

LEGISLATIVE MANDATE 4

CHAIRPERSON'S STATEMENT 5

CHIEF ELECTORAL OFFICER'S OVERVIEW 7

2. INFORMATION ON PREDETERMINED OBJECTIVES 11

2.1 OVERALL PERFORMANCE 12

2.1.1 Voted funds 12

2.1.2 Aim of Vote 12

2.1.3 Strategic outcome-oriented goals 12

2.1.4 Performance and organisational environment 13

2.2 PROGRAMME PERFORMANCE 13

Programme 1: Commission Services 14

Programme 2: Office of the CEO, including Internal Audit 15

Programme 3: Electoral Operations 19

Programme 4: Outreach 33

Programme 5: Corporate Services 44

3. ANNUAL FINANCIAL STATEMENTS 61

Report of the Audit Committee 62

Report of the Auditor-General 64

Annual Financial Statements 67

Accounting Officer's Report 69

Accounting Policies 71

Statement of Financial Performance 80

Statement of Financial Position 81

Statement of Changes in Net Assets 82

Cash Flow Statement 83

Notes to the Annual Financial Statements 84

Detailed Income and Expenditure Statement Appendix A 102

Departmental Expenditure Statement Appendix B 105

4. OTHER INFORMATION 107

LIST OF ACRONYMS AND ABBREVIATIONS 108

LIST OF CONTACT DETAILS 110

List of tables

		Page
Table 1:	Internal audit coverage for 2011/12: national office and provincial office, where applicable	16
Table 2:	2011/12 internal audit coverage: provincial, regional and local offices	17
Table 3:	Scheduled audits for inclusion in the 2012/13 Internal Audit Plan	18
Table 4:	Changes in the number of municipal wards: 2000 to 2011	20
Table 5:	Change in the number of voting districts: 2000 to 2011	21
Table 6:	Changes in the voters' roll	21
Table 7:	Overall registration activity: 1 April 2011 to 31 March 2012 according to age group	22
Table 8:	Overall registration activity by province: 1 April 2011 to 31 March 2012	22
Table 9:	Party Liaison Committee meetings	23
Table 10:	Political party statistics	23
Table 11:	Numbers of candidates in each province in 2011	24
Table 12:	Number of by-elections that occurred during the period 1 April 2011 to 31 March 2012	26
Table 13:	Voting station type	28
Table 14:	Voting station facilities	29
Table 15:	Number of events	34
Table 16:	Posts in the Commission	45
Table 17:	Representivity in terms of employment equity	49
Table 18:	Comparison with employment equity goals	49
Table 19:	Staff movement	49
Table 20:	Terminations	50
Table 21:	Personnel expenditure (salaries)	50
Table 22:	Support provided	50
Table 23:	Sick leave	50
Table 24:	Comparison of sick leave absenteeism	51
Table 25:	Employee deaths	51
Table 26:	Disputes	51
Table 27:	CCMA referrals	51

Section 1

Vision

To strengthen constitutional democracy through the delivery of free and fair elections in which every voter is able to record his or her informed choice.

Mission

The Electoral Commission is an independent and impartial permanent body created by the Constitution to promote and strengthen constitutional democracy in South Africa through the delivery of free and fair elections at all levels of government.

Values

To enable the Commission to serve the needs of stakeholders, including the electorate, political parties, the media and permanent and temporary staff, the organisation subscribes to the following organisational values:

i. Following best practices

- Stopping all forms of waste
- Driving for results and success
- Planning and working so as to maximise the use of all inputs

ii. Being sensitive to race, culture, language, religion, disability and gender issues

- Taking note of diversity in experience and ability
- Caring and showing respect for others

iii. Being ethical, honest and truthful

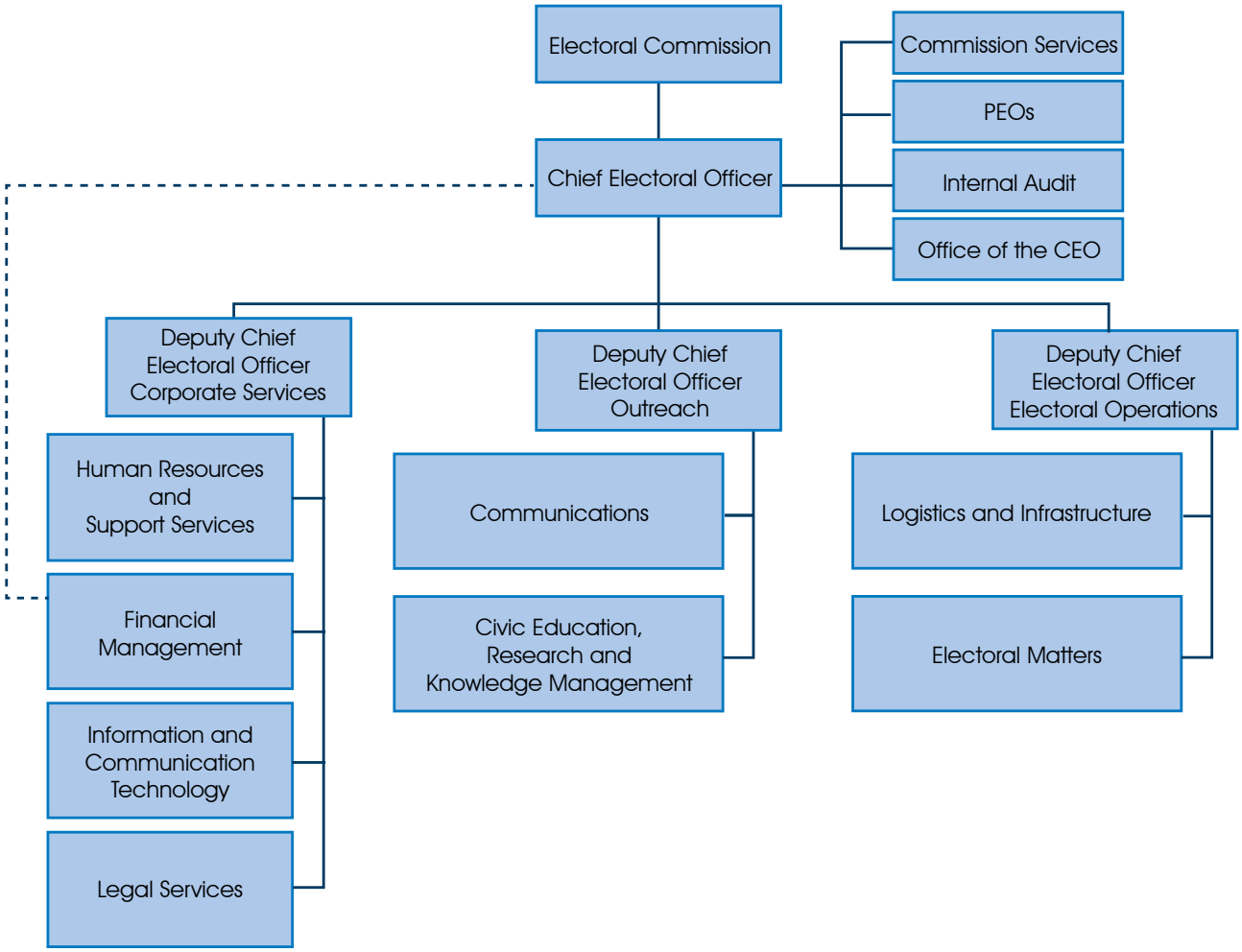
- Communicating in an open and honest way
- Carrying out our work independently and impartially
- Acting with integrity and opposing corruption
- Promoting the image and credibility of the Electoral Commission

iv. Improving continuously

- Maximising training and development opportunities
- Supporting and inspiring each other
- Fostering collaboration between teams and team members
- Fostering achievement of common goals

Organisational structure

IEC Structural Organogram



Legislative mandate

Constitutional mandate

In terms of section 190 of the Constitution of the Republic of South Africa (Act No. 108 of 1996), the Electoral Commission must:

(a) manage elections of national, provincial and municipal legislative bodies in accordance with national legislation;
(b) ensure that those elections are free and fair; and
(c) declare the results of those elections within a period that must be prescribed by national legislation and that is as short as reasonably possible.

Legislative mandates

The duties and functions of the Electoral Commission are defined in section 5 of the Electoral Commission Act, 1996. These include to:

(a) manage any election;
(b) ensure that any election is free and fair;
(c) promote conditions conducive to free and fair elections;
(d) promote knowledge of sound and democratic electoral processes;
(e) compile and maintain a voters' roll by means of a system of registering eligible voters by utilising data available from government sources and information furnished by voters;
(f) compile and maintain a register of parties;
(g) establish and maintain liaison and cooperation with parties;
(h) undertake and promote research into electoral matters;
(i) develop and promote the development of electoral expertise and technology in all spheres of government;
(j) continuously review electoral legislation and proposed electoral legislation, and make recommendations in connection therewith;
(k) promote voter education;
(l) promote cooperation with and between persons, institutions, governments and administrations for the achievement of its objects;
(m) declare the results of elections for national, provincial and municipal legislative bodies within seven days after such elections;
(n) adjudicate disputes which may arise from the organisation, administration or conducting of elections and which are of an administrative nature; and
(o) appoint appropriate public administrations in any sphere of government to conduct elections when necessary.

CHAIRPERSON'S STATEMENT

Adv Pansy Tlakula, Chairperson

This report is a reflection of the activities of the Electoral Commission during the 2011/12 financial year and describes its work during this period in fulfilling its constitutional mandate and meeting its obligations as dictated by the Electoral Commission Act and other applicable legislation.

Since the dawn of democracy in South Africa in 1994, elections have become a regular feature in the political landscape. For the past 17 years, the country has successfully held eight elections: four national and provincial elections, and four municipal elections. Even though each election is unique in its nature, it has two things in common: it was peaceful and the results were accepted by all the contesting political parties as a true expression of the will of the voters.

During the period under review, continued efforts were made by the Commission to ensure that it met its legislative obligations efficiently and effectively. These included making amendments to legislation in preparation for the 2011 municipal elections, and providing special votes to those voters who were infirm or unable to go to the voting station to cast their votes on Election Day. It was the first time that this provision was made for municipal elections in South Africa and it improved access to democratic processes in South Africa. One of the responsibilities assigned to the Commission is the establishment and maintenance of a common national voters' roll.

On Election Day, a total of 23.6 million voters were reflected on the voters' roll. This figure represents an increase of approximately 30% since the voters' roll was first established in South Africa in 1999. The Commission continues to intensify its efforts to encourage all eligible South Africans to register to vote.

Since 1994, South Africans have increasingly been expressing a proliferation of political views as evidenced by the increasing number of political parties. In the 2011 municipal elections, 121 registered political parties participated, compared to 97 in 2006. In addition, 53 000 candidates registered to participate. This increase in political parties and candidates led to a greater appreciation of multipartyism in South Africa and an even greater enthusiasm by the electorate to participate in the country's democratic processes.

To facilitate the growing number of voters, the Commission increased the number of voting stations in the country from 18 873 in the 2006 elections to 20 859 in 2012.

Improved provision was also made for the differently abled voters to exercise their right to vote with the development of the universal ballot template, which was distributed for use by voters with visual impairments, for example.

All these efforts resulted in a peaceful election, which had the highest voter turnout in the history of municipal elections in South Africa, namely 57.64%.

The Electoral Commission continued to play a significant role in contributing to democracy on the continent and elsewhere in the world. During the reporting period, it provided technical assistance in the Presidential and Parliamentary elections in the Democratic Republic of the Congo (DRC) and Guinea-Bissau, hosted the Annual General Conference of the Southern African Development Community Electoral

Commissions Forum (SADC ECF) and participated in a number of regional and international conferences of organisations such as the African Union (AU), the United Nations Development Programme (UNDP), the International Institute for Democracy and Electoral Assistance (International IDEA) and the Commonwealth. The experiences attained from these interactions will contribute to the Commission's continuing efforts to strengthen South Africa's own electoral democracy.

During the period under review, the progress made by the Electoral Commission in managing elections in South Africa received various international, regional and local awards. These included first runner-up in the All Africa Public Service Innovation Awards (AAPSIA) in the category Innovative Service Delivery Improvements in May 2011, first prize in the United Nations Public Service Awards (UNPSA) in the category Preventing and Combating Corruption in the Public Service in Dar es Salaam, Tanzania, in June 2011, and the first prize from the African Association for Public Administration and Management (AAPAM) in the category Innovative Management, in Lilongwe, Malawi, in November 2011. All these awards were in respect of the Electoral Commission's innovative results scanning project.

In November 2011, the Electoral Commission received first prize from the Centre for Public Service Innovation (CPSI) for its eProcurement system in the category Innovative Use of Information Communication Technology for Effective Service Delivery and was second runner-up overall. For its two submissions to the Public Relations Institute of Southern Africa (PRISA) PRISM Awards in March 2012, the Electoral Commission received a gold award for the *Atlas of Results* of the 2009 national and provincial elections in the Publications category and a silver award in the Media Relations category for the 2011 municipal elections campaign ("Love Your South Africa").

Achievements made in the advancement of South Africa's electoral democracy in the past 17 years, and in particular during the period under review, could not have materialised without the committed participation of the stakeholders in the country's democracy. The Electoral Commission therefore thanks all fellow South Africans in government and civil society for their cooperation and support, and for upholding the principles of multipartyism, as well as democracy and the values of the Constitution. The Commission also thanks South Africa's political parties for their adherence to the Code of Conduct and for ensuring an environment that is conducive to free and fair elections.

A special note of appreciation goes to the staff members of the Electoral Commission who have at all times worked tirelessly in the service of the Commission for understanding the importance of its mandate so that it could once again present a report of which the Commission is proud.

On behalf of the Electoral Commission, I hereby present the 2012 Annual Report.

Adv Pansy Tlakula
Chairperson

CHIEF ELECTORAL OFFICER'S OVERVIEW

Mosotho Moepya, CEO

During the year under review, the Electoral Commission delivered the 2011 municipal elections. These elections had a high turnout and presented new challenges, such as the introduction of special votes. This did not, however, deter the Commission from achieving the targets that it had set for itself in its Strategic Plan and Annual Performance Plan.

Promoting principles of peaceful, free and fair elections

The Electoral Commission engages regularly in liaison with organisations, institutions and governments in order to promote the acceptance of and adherence to democratic electoral principles. In this regard, the Commission exceeded its targets for meetings and interactions with relevant stakeholders.

These meetings included briefings with the Portfolio Committee on Home Affairs, engagements with relevant Cabinet ministers, and sessions with leaders of political parties and representatives of non-governmental organisations.

The Commission set itself a target of 14 interactions with relevant stakeholders. In the end, it achieved 29 interactions, which included capacity-building programmes, observing four elections, study tours, hosting international delegations, and attending meetings of regional or international member bodies, briefing sessions for international observers, briefing sessions for domestic observers and briefing sessions for the diplomatic corps.

Improving organisational efficiency and effectiveness

In the period under review, the Commission paid attention to monitoring the implementation of and adherence to organisational policies. In the process, it exceeded its target of reviewing two policies by reviewing a total of 23 policies – mainly in the human resources area. There was also an increased focus on financial and risk management.

Managing free and fair elections

The number of voting stations for the 2011 municipal elections was increased to 20 859. This represented an increase of 10.5% compared to the municipal elections of 2006. The effect of the increase in the number of voting stations is a general decrease in the average number of registered voters per station, which further translates into a reduction in the time voters need to wait in queues at voting stations on Election Day.

In addition, 96% of voting district boundaries in both rural and urban areas are within the distance threshold set by the Electoral Commission, namely 7.5 and 12.5 km on average to the voting station in urban and rural areas respectively. While the Commission had originally aimed to establish 22 000 voting stations for the 2011 municipal elections, this was no longer necessary as it introduced voting centres to accommodate some of the challenges in voting districts with large numbers of registered voters.

The maintenance of the voters' roll and the registration of voters during the period under review had to take into account the run-up to the 2011 municipal elections.

The certified voters' roll for the elections contained the names of 23 655 046 registered voters. The total number of registered voters on the voters' roll at the end of March 2012 was 23 363 394. The Commission therefore exceeded the target set for the period under review, which was to have 22 999 273 registered voters.

The verification of the voters' roll against the National Population Register is executed on a monthly basis and the target set for the period under review was met. This monthly process verifies the status of the voter and allows the Commission to maintain an updated voters' roll.

The National Party Liaison Committee (NPLC) held eight meetings during the period under review. The provincial offices of the Commission held 99 provincial party liaison meetings, while 1 550 local political party liaison meetings were held at municipal level. The target of 1 234 party liaison committee meetings that was set for the period under review was exceeded by 461 meetings.

Election Day for the 2011 municipal elections was on 18 May 2011, with special voting days on 16 and 17 May 2011. A total of 13 664 914 of the 23 655 046 registered voters voted in the 2011 municipal elections. A total of 54 655 MEC 7 votes were cast. This provides for a voter turnout of 57.6% in the municipal elections of May 2011. Prior to the election, the Electoral Commission had indicated that it aimed for a voter turnout of 45%. This turnout compared very favourably with the voter turnout of 48.4% in the municipal elections of 2006, and 48.07% in the elections of 2000. The percentage of ballots that were regarded as being spoilt in the 2011 municipal elections stood at 1.89%, which compared favourably with the figures for 2006 and 2000, which were 2.27% and 2.36% respectively.

During the period under review, 76 ward vacancies occurred. These required the Electoral Commission to conduct by-elections to fill the vacancies within 90 days of the date on which the vacancy occurred. All ward vacancies that arose in the period under review were filled within 90 days.

Planning logistics for the 2011 municipal elections started early in 2010. The Electoral Commission's distribution network comprises 10 warehouses – one in each province and a central warehouse controlled from the national office. Storage facilities at local level are only required for a limited time during peak election periods and can be in the form of a storeroom, storage shed or simply shelving – depending on quantity needs.

For the municipal elections of 2011, the voting station network increased to 20 859. The voting station network comprised 66% schools.

The requirement for full-time resources permanently located at municipal level is necessitated by the day-to-day electoral matters needs and election-related projects. The Commission, in response to these requirements, has established over 270 local offices in 234 municipalities throughout the country to provide services to the public, and to deliver election projects at a local level. The Electoral Commission also appoints a local representative, known as the municipal electoral officer (MEO), in each of the 234 municipalities in the country. MEOs are normally suitably qualified senior council employees, who are responsible for providing election-related assistance in their specific municipal area.

Fostering public participation with a view to deepening democracy

During the year under review, the Commission conducted 113 840 civic education events and directly reached 5 553 351 participants. In the same period, 1 808 598 materials were distributed. This included educational material (pamphlets, booklets and other Commission publications) and promotional material.

Key partnerships were forged with a wide range of stakeholders such as the South African Broadcasting Corporation (SABC), the Media Development and Diversity Agency (MDDA), the National Community Radio Forum (NCRF), the Department of Basic Education (through school voter education activities and the running of School Governing Body elections), the South African Local Government Association (SALGA), all the Chapter 9 institutions, the South African National Council for the Blind (SANCB), provincial and national Houses of Traditional Leaders, the Deaf Federation of South Africa (DeafSA) and various other civil society organisations.

During the financial year, the Commission undertook a national voter participation survey conducted by the Human Sciences Research Council (HSRC) to assess the

views of voters prior to the 2011 municipal elections, an election satisfaction survey conducted on Election Day to examine voter satisfaction with the election, and a programme analysis and impact assessment study on the monitoring and evaluation of civic and democracy education, which was conducted by the Educational Support Services Trust.

Supporting the core business of the Electoral Commission

The Commission currently has an establishment of 871 permanent posts. A total of 813 positions were filled at the end of March 2012, thus there were 58 vacancies.

In order to improve the skills of its people, the Commission conducted training needs analyses based on individual development plans and prioritised the training gaps that were identified. A total of 305 staff members attended various short courses and in-house training sessions.

Presiding and deputy presiding officers for the 2011 municipal elections were trained and assessed by internal trainers by mid-April. The remainder of the voting station staff was trained in time for the elections. A Support Services Strategic Plan was developed, finalised and approved.

The Commission received R840 million for the year under review by way of a Parliamentary grant. Sundry income was generated, consisting largely of interest earned and sponsorship revenue, bringing the Commission's total income to R855 million. All funds were accounted for and are disclosed in the annual financial statements.

In the previous year, when it became apparent that the 2011 municipal elections would not fall within the financial year ended 31 March 2011, a reprioritisation of expenditure was completed. From this exercise, an amount of R470 million was identified to be carried forward to the 2011/12 financial year to cover election-specific expenditure in 2011/12. Thus, budgeted expenditure for the year under review was R1.3 billion. Approximately 99% of the budget was expended in the year.

Information and communication technology (ICT) continues to play a critical role in supporting the various processes of the Electoral Commission, and played a critical role in the successful delivery of the 2011 municipal elections. The successful provision of ICT services was evident in the fact that the systems had 100% up-time during the elections, and all results could be captured and scanned within 56 hours from the close of voting stations.

Mosotho Moepya,
Chief Electoral Officer

IEC
SOUTH AFRICA

Section 2

2.1 OVERALL PERFORMANCE

2.1.1 Voted funds

Main appropriation	Total revenue	Actual amount spent	(Over)/under expenditure
R839 788 000	R854 832 115	R1 315 238 395	(R460 406 280)

2.1.2 Aim of Vote

The Commission aims to entrench itself as the focal point for delivering free and fair, cost-effective elections. In order to achieve this overarching aim, five strategic goals have been developed that are linked to the five programmes discussed in detail in paragraph 2.2 below.

2.1.3 Strategic outcome-oriented goals

Strategic outcome-oriented goal 1: Promote principles of peaceful, free and fair elections

Goal statement: Engage in liaison with organisations, institutions and governments in order to promote the acceptance of and adherence to democratic electoral principles

Strategic outcome-oriented goal 2: Improve organisational efficiency and effectiveness

Goal statement: Provide strategic direction and monitor implementation of and adherence to organisational policies, and achievement of goals and objectives to improve efficiency and effectiveness

Strategic outcome-oriented goal 3: Manage free and fair elections

Goal statement: Facilitate the participation of parties and voters in regular, free and fair elections using systems, people and processes that are sustainable

Strategic outcome-oriented goal 4: Foster public participation with a view to deepen democracy

Goal statement: Inform and educate civil society on democracy and electoral processes

Strategic outcome-oriented goal 5: Support the core business of the Electoral Commission

Goal statement: Provide enabling business processes and systems with respect to the financial management, information and communication technology, human resources management, facilities management and legal services to efficiently and effectively support the core business of the Electoral Commission

2.1.4 Performance and organisational environment

Following its establishment in 1997, the Electoral Commission set out to establish a sustainable electoral administration by using, among others, infrastructure then existing in municipal councils at little or no cost, both in terms of infrastructure and temporary personnel with electoral experience. This situation has changed rapidly with some of the following factors calling for different arrangements by the Electoral Commission:

(a) Municipalities are increasingly no longer in a position to provide (free or paid) accommodation to Electoral Commission staff since they have no spare capacity.
(b) In many municipalities, it is no longer possible for the Electoral Commission to use the Municipal Manager as its local representative.
(c) More experienced municipal officials are increasingly unavailable to the Electoral Commission, sometimes due to the sheer volume of the workload of such individuals in some municipalities.

On the political front, the nature of interparty conflicts has changed over the last two years and now involves contestation over a much broader front. This has led to an increase in the number of complaints, objections and court cases. Due to the maturing of the country's democracy and the sophistication of political parties, the Electoral Commission has experienced challenges due to an increasingly litigious environment over the past few years.

While in the past it only dealt with represented parties in its party liaison committees, it has become evident that unrepresented parties often contest elections, sometimes at the last moment. This results in a situation where they are deprived of the consultative processes that take place with the represented parties.

As a developing democracy, the stepping up of civic education initiatives and programmes has been identified as one of the priorities for the Electoral Commission. It is also making a concerted effort to engage with the sector of persons with disabilities to provide easier access to the vote to voters in that sector.

Access to information and the provision of information in diverse formats and on diverse platforms, including the proactive use of new media and social platforms, has impacted on communications campaigns and the associated costs related to such campaigns, and will continue to do so.

To satisfactorily resolve or cope with the situations described, it is essential for the Electoral Commission to attend to the following, inter alia:

- Strengthening its permanent and temporary capacity at election times at the municipal level to avoid logistical difficulties
- Paying tariffs commensurate with the realities of attracting a more mature and experienced Election Day staff complement
- Substantially improving on and increasing the amount of training provided to such electoral staff
- Adjusting its capacity to be able to deal with complaints, objections, disputes and court cases, as well as conflict resolution management
- Increasing the focus on democracy and voter education, as well as the dissemination of information through the media
- Dealing with the unexpected cost escalations in the logistical field and the increased cost of diminishing municipal support
- Providing the additional assistance that political parties require
- Addressing the new time constraints imposed on the Commission by the demarcation process
- Extending the measures aimed at transparency in respect of elections that were introduced to ICT systems for the national elections that are also used for municipal elections

2.2 PROGRAMME PERFORMANCE

The activities of the Electoral Commission are organised according to the following programmes:

Programme 1: Commission Services
Programme 2: Office of the Chief Electoral Officer (including Internal Audit)
Programme 3: Electoral Operations (delimitation, voting, counting and results; voters' roll, registration, candidate nomination and party liaison; logistics; infrastructure)
Programme 4: Outreach (civic and democracy education; research and knowledge management; communication)
Programme 5: Corporate Services (human resources management; information and communication technology; financial management; facilities management; legal services)

PROGRAMME 1: COMMISSION SERVICES

PURPOSE: Commission Services facilitates the promotion of the principles of peaceful, free and fair elections. This includes interaction and liaison with organisations, institutions and governments nationally and internationally in order to promote the acceptance of and adherence to democratic electoral principles. Included are international bodies such as the International Institute for Democracy and Electoral Assistance (International IDEA), the Southern African Development Community Electoral Commissions Forum (SADC ECF), the African Union (AU), the Association of Asian Election Authorities (AAEA), the Commonwealth and the United Nations (UN).

The Electoral Commission observes elections and provides technical election support when requested to do so on the African continent and beyond. There are four permanent personnel in the unit who provide support in achieving the strategic goal and objectives of this programme.

STRATEGIC OBJECTIVES

Strategic Objective 1.1: Promote the acceptance of and adherence to democratic electoral principles nationally

Objective statement: To promote the acceptance of and adherence to democratic electoral principles by holding one meeting with Government, two meetings with relevant Cabinet Ministers, two meetings with the Portfolio Committee on Home Affairs, one meeting with each leader of political parties represented in Parliament, and one meeting with non-governmental organisations per year

Strategic Objective 1.2: Position the Electoral Commission as a continuously improving organisation and also promoting the acceptance of and adherence to democratic electoral principles internationally

Objective statement: To increase participation internationally by engaging in two capacity-building programmes, observing at least four elections, undertaking at least two study tours, hosting at least two international delegations, attending at least one meeting of a regional or international member body, and holding at least one briefing session for international observers, one briefing session for domestic observers and at least one briefing session for the diplomatic corps within the financial year

PERFORMANCE INDICATORS AND TARGETS

During the period under review, the Commission continued to play a critical role in the advancement of electoral democracy worldwide. Participation of the Commission in these endeavours included the following:

- Attending meetings, seminars and workshops of regional and international organisations such as International IDEA, the United Nations Development Programme (UNDP), the AU and the SADC ECF. The purpose of the meetings was to discuss and share knowledge on recent trends managing elections.
- Observing elections in countries such as Zambia, Norway, the Gambia and the Democratic Republic of the Congo (DRC).
- Taking part in election technical assistance programmes in the DRC, Ethiopia, Guinea-Bissau and in the SADC ECF in Botswana.

In addition to the above, and in recognition of its efforts to becoming a pioneer in the use of technology in elections, the Electoral Commission was the first runner-up in the All Africa Public Service Innovation Awards (AAPSIA) in the category Innovative Service Delivery Improvements in May 2011. The awards ceremony was held in Nairobi, Kenya.

The Commission also won the first prize in the United Nations Public Service Awards (UNPSA) in the category Preventing and Combating Corruption in the Public Service in Dar es Salaam, Tanzania, in June 2011.

In November 2011, the Electoral Commission received first prize from the Centre for Public Service Innovation (CPSI) for its eProcurement system in the category Innovative Use of Information Communication Technology for Effective Service Delivery and was second runner-up overall. For its two submissions to the Public Relations Institute of Southern Africa (PRISA) PRISM Awards in March 2012, the Electoral Commission received a gold award for the *Atlas of Results* of the 2009 national and provincial elections in the Publications category and a silver award in the Media Relations category for the 2011 Municipal Elections campaign ("Love Your South Africa").

All the above have confirmed the Commission as one of the most innovative institutions as far as it relates to elections management.

During the period under review, the Electoral Commission hosted a number of its counterparts from

countries such as Iraq, Afghanistan, Vietnam and the DRC. The purpose of these visits was to get exposure for the South African system of managing elections, and exchange knowledge and expertise in this field.

In August 2011, the Commission hosted the Annual General Conference of the SADC ECF, which was attended by election management bodies from 13 member countries of SADC. This conference discussed ways in which the electoral management bodies could implement their mandates effectively and efficiently, thereby strengthening electoral democracy in the region. At this conference, the Electoral Commission was reelected to the Presidency of the Forum.

The Commission will always strive to ensure that it maintains the highest international standards in the management and delivery of elections through various forms of interaction with relevant national and international stakeholders.

SUMMARY OF PROGRAMME PERFORMANCE

Programme 1				
Performance Indicator	**Baseline (Actual Output) 2010/11**	**Actual Performance against Target**		**Reason for Variance**
		Target (2011/12)	**Actual (2011/12)**	
1.1.1 Number of meetings within the reporting period with relevant stakeholders nationally	21	6	9	Other than planned meetings, additional meetings were requested by stakeholders.
1.2.1 Number of interactions within the reporting period with relevant stakeholders internationally	28	14	29	The planned meetings took place but the number of foreign election management bodies who visited the IEC increased dramatically.

PROGRAMME 2: OFFICE OF THE CHIEF ELECTORAL OFFICER

This programme includes Internal Audit.

PURPOSE: The Office of the Chief Electoral Officer (CEO) monitors the implementation of and adherence to the Commission's strategic priorities and organisational policies. Furthermore, this office ensures the achievement of goals and objectives to improve the effective and efficient functioning of the Electoral Commission. There are four permanent personnel in the unit who provide support in achieving the strategic goal and objectives of this programme.

STRATEGIC OBJECTIVES

Strategic Objective 2.1: Review and improve implementation of and adherence to organisational policies, and the achievement of strategic goals and objectives in the Electoral Commission

Objective statement: To improve the efficiency and effectiveness of the organisation by reviewing at least two policies and ensuring 100% implementation of the annual risk-based internal audit plan

PERFORMANCE INDICATORS AND TARGETS

Internal Audit

During the period under review, the following firms were appointed to partner with the in-house Internal Audit Unit to implement the approved 2011/12 Internal Audit Plan:

- KPMG Consortium (Afripeak Management Services (Pty) Ltd, KPMG Services (Pty) Ltd and Indeyebo Consulting and SAB&T BIG)
- Sekela Consulting/Matasis Consulting (consortium)
- SAB&T Chartered Accountants/Nkonki Incorporated (consortium)

Taking new partners and teams of auditors on board presented the Internal Audit Unit with the opportunity to revisit the strategy for providing independent assurance with regard to the quality of internal control, risk management and governance processes, while ensuring continuous improvements in the quality of the audit work delivered.

Under the direction and leadership of the Chief Audit Executive, the Internal Audit Unit produced the following frameworks for consideration by the Audit Committee:

- A strategic framework for optimising assurance to the Audit Committee, Accounting Officer and Commission
- A framework for developing a risk-based Internal Audit Plan in the Electoral Commission
- A framework for assessing the control environment for formulating and expressing internal audit opinions

These frameworks conclude the preparations for implementing a comparative Internal Audit Report and internal control ratings that will be agreed with management in line with the combined assurance model.

Implementation of the Internal Audit Plan approved by the Audit Committee for 2011/12 was executed after the appropriateness and timing of the audits, reviews and advisory services were supported by the Accounting Officer.

Accordingly, audit efforts were focused at regional supervisor levels with fieldwork conducted across the selected reporting local offices, while audits at provincial and national office levels were geared towards evaluating support functions.

Data analytics was successfully used to compile checklists to streamline a sample selection for the review of documentation to support payments to electoral staff employed during the municipal election processes of the local office level.

Table 1: Internal audit coverage for 2011/12: national office and provincial office, where applicable

Internal audit coverage	Type of audit/review
In-year reporting	Management and risk-based compliance review
Information technology • SAP general controls • Electoral staff system – SAP interface	IT reviews, including follow-up
Human resources review	Management, risk-based compliance audit and follow-up review
Electoral staff recruitment and payment	Management, financial discipline, risk-based compliance audit and follow-up review
By-election events	Management, financial discipline and risk-based compliance reviews
Review of annual financial statements and annual report	Risk-based compliance review and follow-up reviews
Performance of contracts	Management, financial discipline, risk-based compliance audit and follow-up review

Table 2: 2011/12 internal audit coverage: provincial, regional and local offices

CODE	Regional Supervisor Organisational Unit
EC1001	Nelson Mandela Bay (Port Elizabeth)
EC1105	Makana (Grahamstown)
EC1117	Buffalo City (East London)
EC1122	Inxuba Yethemba (Cradock)
EC1131	Elundini (Mount Fletcher)
EC1137	Ntabankulu (Ntabankulu)
EC1142	King Sabata Dalindyebo (Umtata)
7	**Eastern Cape**
FS2203	Fs162 Kopanong (Trompsburg)
FS2207	Fs172 Mangaung (Bloemfontein)
FS2213	Fs184 Matjhabeng (Welkom)
FS2217	Fs192 Dihlabeng (Bethlehem)
FS2222	Fs201 Moqhaka (Kroonstad)
5	**Free State**
GP3018	Nokeng Tsa Taemane (Cullinan)
GP3002	Ekurhuleni (East Rand)
GP3003	City of Johannesburg (Johannesburg)
GP3004	Tshwane Metro (Pretoria)
GP3041	Randfontein (Randfontein)
GP3303	Midvaal (Meyerton)
6	**Gauteng**
NW8804	Rustenburg (Rustenburg)
NW8810	Mafikeng (Mafikeng)
NW8815	Naledi (Vryburg)
NW8823	Matlosana (Klerksdorp)
4	**North West**
WC9905	Saldanha Bay (West Coast Peninsula)
WC9912	Breede Valley (Worcester)
WC9918	Cape Agulhas (Bredasdorp)
WC9925	George (George)
WC9926	Oudtshoorn (Oudtshoorn)
WC9006	City of Cape Town (Cape Town)
6	**Western Cape**
KZ4005	Ethekwini (Durban Metro)
KZ4036	Ubuhlebezwe (Ixopo)
KZ4407	Hibiscus Coast (Port Shepstone)
KZ4413	Msunduzi (Pietermaritzburg)
KZ4418	Emnambithi/Ladysmith (Ladysmith)
KZ4426	Endumeni (Dundee)
KZ4440	Ulundi (Ulundi)
KZ4444	The Big 5 False Bay (Hluhluwe)
KZ4450	Umhlathuze (Richards Bay)
KZ4432	Newcastle (Newcastle)
KZ4457	Kwadukuza (Stanger)
11	**KwaZulu-Natal**
LI7704	Greater Tzaneen (Tzaneen)
LI7709	Thulamela (Thohoyandou)
LI7714	Molemole (Dendron/Dikgale)
LI7721	Modimolle (Nylstroom)
LI7023	Makhuduthamaga (Ngwaritsi)
5	**Limpopo**
MP5503	Msukaligwa (Ermelo)
MP5511	Emalahleni (Witbank)
MP5518	Mbombela (Nelspruit)
3	**Mpumalanga**
NC6012	Ga-Segonyana (Kuruman)
NC6046	Sol Plaatje (Kimberley)
NC6605	Hantam (Calvinia)
NC6612	Emthanjeni (De Aar)
NC6622	Khara Hais (Upington)
5	**Northern Cape**

Audit fieldwork at two local offices per regional supervisor = 104 audits, of which 100 were completed.

In addition to introducing an audit focus on the role of the regional supervisor, each of the nine provincial electoral offices was included in a separate, but interrelated review during the period under review.

During the period under review, the Internal Audit Unit deviated from the Internal Audit Plan and earmarked the following scheduled audits for risk assessments to support motivation towards inclusion in the 2012/13 Internal Audit Plan.

Table 3: Scheduled audits for inclusion in the 2012/13 Internal Audit Plan

National office	Type of audit/review
Financial Policies – review	Policy review
Support Services and Security Services	Management and risk-based compliance review
Business Continuity	Management and risk-based compliance review
Month-end/period-end closures	Financial discipline, management review, risk-based compliance audit, follow-up review
Four local offices in KwaZulu-Natal were not audited	Financial discipline, management review, risk-based compliance audit, peer-based follow-up review

SUMMARY OF PROGRAMME PERFORMANCE

Programme 2				
Performance Indicator	**Baseline (Actual Output) 2010/11**	**Actual Performance against Target**		**Reason for Variance**
		Target (2011/12)	**Actual (2011/12)**	
2.1.1 Number of policies reviewed	6	2	23	The IEC met its target of reviewing two policies. It then became apparent that, in the interest of good governance, a broader review was required. It consequently accelerated its policy review process.
2.1.2 Extent of implementation of the annual risk-based internal audit plan	90%	100%	93%	A 7% deviation from the approved Internal Audit Plan due to a longer time required to complete the provincial audit reports and required quality assurance

PROGRAMME 3: ELECTORAL OPERATIONS

This programme comprises delimitation, voting, counting and results; voters' roll, registration, candidate nomination and party liaison; logistics; and infrastructure.

PURPOSE: Electoral Operations facilitates the participation of political parties, candidates and voters in regular free and fair elections using systems, people and processes that are sustainable. Activities included are the delimitation of boundaries, maintenance of the national voters' roll and the planning and coordination of activities during registration weekends, on Election Day and special voting days, as well as for home visits. The counting of votes and the collation of results are part of the operational processes.

This programme also provides logistics, warehousing and distribution infrastructure, such as voting stations and municipal electoral offices, and electoral material and equipment as specified on the bill of materials. It further provides for ongoing liaison platforms with registered political parties and independent candidates.

There are 702 permanent personnel in the unit who provide support in achieving the strategic goal and objectives of this programme. The staff is distributed among the national, provincial and municipal levels of the organisation. The staff structure is expanded significantly during election periods when additional resources are imperative to cope with the huge workload and difficult logistical arrangements.

STRATEGIC OBJECTIVES

Strategic Objective 3.1: Provide accessible venues for voters to vote

Objective statement: 96% of voting district boundaries are less than or equal to 7.5km to the voting station in urban areas and less than or equal to 12.5km to the voting station in rural areas for the 2011 municipal elections

Strategic Objective 3.2: Enable voters to register to vote

Objective statement: Ensure an up-to-date and accurate national voters' roll ahead of the 2011 municipal elections

Strategic Objective 3.3: Maintain liaison and funding of registered political parties

Objective statement: Maintain an accurate register of political parties and conduct 1 234 meetings with political parties as key stakeholders in the electoral process within the financial year

Strategic Objective 3.4: Comply with election timetables for electoral events

Objective statement: Ensure that voters' roll certification, compliant candidate nomination, voting and results for electoral events occur within the dates specified in the election timetable and proportional representation (PR) list replacement procedures

Strategic Objective 3.5: Provide electoral material storage and distribution

Objective statement: Provide stable and effective warehousing and distribution networks for the distribution of electoral materials and equipment to cater for all electoral events within the year under review

Strategic Objective 3.6: Secure and maintain local offices, and venues for electoral events

Objective statement: Provide and maintain office infrastructure and equipment for the local sphere to ensure effectiveness, and secure and equip the targeted voting stations (22 000) to support electoral events

PERFORMANCE INDICATORS AND TARGETS

Electoral Matters

Voting district delimitation

The Municipal Demarcation Board (MDB) redemarcated certain (outer) municipal boundaries before the 2011 municipal elections, which resulted in the following configuration of municipal councils:

- 8 metropolitan councils (Category A municipalities)
- 226 local councils (Category B municipalities)
- 44 district municipalities (Category C municipalities)

In addition, the MDB redemarcated the district management areas by incorporating these areas into neighbouring local councils before the 2011 municipal elections. Consequently, there were no district management areas in South Africa in the 2011 municipal elections.

Table 4: Changes in the number of municipal wards: 2000 to 2011

Province	Number of wards: 2000	Number of wards: 2006 (% change)	Number of wards: 2011 (% change)
Eastern Cape	601	636 (6)	715 (12)
Free State	291	300 (3)	317 (5)
Gauteng	446	423 (-5)	508 (20)
KwaZulu-Natal	748	771 (3)	828 (7)
Limpopo	437	513 (17)	543 (5)
Mpumalanga	401	365 (-9)	402 (10)
North West	327	365 (12)	383 (4)
Northern Cape	173	174 (0,6)	194 (11)
Western Cape	330	348 (5)	387 (11)
Total	**3 754**	**3 895 (4)**	**4 277 (10)**

The MDB was also responsible for redelimiting ward boundaries in South Africa before the municipal elections of 2011. The MDB changed both the number and configuration of wards used in the 2006 municipal elections for the 2011 elections, mainly due to an increase in the number of registered voters (see Table 4). The number of wards increased from 3 754 in 2000 to 3 895 wards in 2006. They further increased to 4 277 wards in 2011 (a 9.8% increase in comparison to the 2006 municipal elections). All metropolitan and local council municipalities had wards in the 2011 municipal elections.

The national common voters' roll used in the 2011 municipal elections contained 20 859 voting districts, which were serviced by 20 859 voting stations and voting centres.

An increase in the number of voting districts between general elections translates into improved voter access to voting stations. The increase in the number of voting districts also results in a general decrease in the average number of registered voters per voting district, which further translates into a reduction in the time voters need to wait in queues at voting stations on Election Day.

The number of voting districts for the 2011 municipal elections represented an increase of 10.5% (1 986 voting districts) compared to the 2006 municipal elections (see Table 5). Moreover, the number of voting districts in the 2011 municipal elections represented a 39% increase (5 871 voting districts) in relation to the 2000 municipal elections.

There was an average of 1 232 registered voters per voting district/voting station in the 2000 municipal elections, compared to 1 115 registered voters per voting district in the 2006 municipal elections. The average number of registered voters per voting district increased marginally to 1 134 in the 2011 municipal elections – mainly due to the increase in the number of registered voters.

Furthermore, 96% of voting district boundaries in both rural and urban areas are within the distance threshold set by the Electoral Commission, namely an average of 7.5 km and 12.5 km to the voting station in urban and rural areas respectively.

The Human Sciences Research Council (HSRC) undertook a voter satisfaction survey during the 2011 municipal elections. The results of this survey revealed that 95% of voters were able to access their voting station in less than one hour, and 87% of voters accessed their voting station in less than half an hour. The HSRC's research also showed that voters waited in the queue at their voting station for an average of 23 minutes to vote.

Together with the general increase in the number of voting districts before the 2011 municipal elections, certain voting district boundaries were also redelimited to better match changes in human settlement patterns that had occurred since the national and provincial elections of 2009. Changes in human settlements include urbanisation, intra-urban migration and the associated growth of informal settlements on urban peripheries.

Maps showing the voting district boundaries and voting stations that are to be used in an election are presented to Municipal Party Liaison Committee (MPLC) members who sign off on maps indicating that they have been consulted by the Electoral Commission. To further ensure transparency, legislation requires the Chief Electoral Officer to make a copy of the map of each voting district available for inspection. Anyone may inspect a copy of the map of a voting district. The aforementioned requirements were complied with during the run-up to the 2011 municipal elections.

Table 5: Change in the number of voting districts: 2000 to 2011

Province	Number of voting districts: 2000	Number of voting districts: 2006 (% change)	Number of voting districts: 2011 (% change)
Eastern Cape	3 087	4 368 (41)	4 560 (4)
Free State	1 061	1 186 (11)	1 320 (11)
Gauteng	1 979	2 172 (9)	2 480 (14)
KwaZulu-Natal	3 336	4 064 (21)	4 358 (7)
Limpopo	1 796	2 274 (26)	2 781 (22)
Mpumalanga	1 023	1 259 (23)	1 565 (24)
North West	1 020	1 488 (45)	1 570 (5)
Northern Cape	396	621 (56)	655 (5)
Western Cape	1 290	1 441 (11)	1 570 (8)
Total	**14 988**	**18 873 (25)**	**20 859 (11)**

Maintenance of the voters' roll and the registration of voters

The Commission engaged in a number of registration and awareness activities in preparation for the election in May 2011. These activities sought to allow voters to check their registration details or reregister and encouraged new voters to register for the first time. Two registration weekends were conducted in the preceding financial year in preparation for the municipal elections of 18 May 2011. A total of 2 731 967 voters turned out to register or reregister during these weekends.

These actions culminated in a certified voters' roll that contained 23 655 046 registered voters in preparation for the municipal elections in May 2011.

Registration statistics

In April 2011, the voters' roll had enlisted 23 655 046 registered voters. The closing figure at the end of the year under review was 23 363 394. This shows a decrease of 291 652 voters for the period in question.

The decrease of 291 652 voters included those whose status on the National Population Register had changed to 'deceased' as their deaths had been reported to the Department of Home Affairs. Gauteng yielded the biggest share of these with 69 180 deceased voters. KwaZulu-Natal recorded the second highest with 49 347 deceased voters. The Northern Cape experienced the least number of deceased voters with only 9 536 being recorded.

Table 6: Changes in the voters' roll

Province	Certified voters' roll (18 March 2011)	31 March 2012	Percentage decrease
Eastern Cape	3 111 535	3 065 912	1.5
Free State	1 386 521	1 361 812	1.8
Gauteng	5 592 676	5 523 490	1.2
KwaZulu-Natal	4 648 733	4 599 385	1.1
Limpopo	2 341 498	2 322 074	0.8
Mpumalanga	1 718 309	1 694 958	1.4
North West	1 576 898	1 553 559	1.5
Northern Cape	572 140	562 607	1.7
Western Cape	2 706 736	2 679 597	1.0
Total	**23 655 046**	**23 363 394**	**1.2**

Continuous voter and specific registration events

Ongoing registrations conducted at municipal electoral offices and by-election registrations encouraged voters to register, check their voter details and reregister if required. The Commission continued to conduct registration activities aimed at encouraging young voters to register, especially matriculants who had acquired a bar-coded identity document for registering to write their matriculation examinations. This activity is normally conducted in conjunction with the Department of Home Affairs, which facilitates the applications for bar-coded identity documents.

The registration figures for young people in the age group 16 to 19 years was 14 506 new registrations, while the figure for the age group 20 to 29 years was 11 265 new registrations. The age group 16 to 29 years accounts for 70% of all new registrations for the reporting period.

Table 7: Overall registration activity: 1 April 2011 to 31 March 2012 according to age group

Age group	New registrations	Reregistrations Same voting district	Reregistrations Different voting district	Total
>=16<=17	7 131	305	141	**7 577**
>=18<=19	7 375	1 068	531	**8 974**
>=20<=29	11 265	5 325	6 481	**23 071**
>=30<=39	3 097	5 709	6 700	**15 506**
>=40<=49	2 309	5 726	4 934	**12 969**
>=50<=59	2 112	4 775	3 221	**10 108**
>=60	3 339	6 565	2 869	**12 773**
Total	**36 628**	**29 473**	**24 877**	**90 978**

Ongoing verification of the voters' roll

The verification of the voters' roll against the National Population Register is executed on a monthly basis and the target set for the review period was met. This monthly process verifies the status of the voter and allows the Commission to maintain an updated voters' roll using the details from the National Population Register. A total of 90 978 voters checked and completed REC1 application forms during the period under review. A total of 29 473 voters reregistered in the same voting district, while 24 877 voters registered in a different voting district. The province with the most registration activity was KwaZulu-Natal with 24 861 registration activities, followed by Gauteng with 16 263 registration activities.

Table 8: Overall registration activity by province: 1 April 2011 to 31 March 2012

Province	New registrations	Reregistrations Same voting district	Reregistrations Different voting district	Total
Eastern Cape	4 447	3 267	2 837	**10 551**
Free State	2 495	2 231	936	**5 662**
Gauteng	3 394	9 221	3 648	**16 263**
KwaZulu-Natal	10 359	6 053	8 449	**24 861**
Limpopo	4 701	3 200	3 281	**11 182**
Mpumalanga	2 498	2 918	1 448	**6 864**
North West	4 376	1 061	1 488	**6 925**
Northern Cape	549	309	514	**1 372**
Western Cape	3 809	1 213	2 276	**7 298**
Total	**36 628**	**29 473**	**24 877**	**90 978**

Liaison with political parties

The National Party Liaison Committee (NPLC) held eight party liaison committee meetings during the period under review. Of these committee meetings, six took place at the Commission's Results Operation Centre (ROC) during the 2011 elections. One meeting was held as a debriefing session for the political parties on the conduct of the 2011 municipal elections.

The provinces held 99 provincial party liaison meetings, while 1 550 local political party liaison meetings were held. The target of 1 234 party liaison committee meetings that was set for the reporting period was exceeded by 461 party liaison committee meetings.

Table 9: Party Liaison Committee meetings

	National Office	Provincial	Municipal
National Office	8		
Eastern Cape		13	212
Free State		3	129
Gauteng		7	76
KwaZulu-Natal		18	366
Limpopo		26	250
Mpumalanga		10	160
Northern Cape		3	112
North West		11	163
Western Cape		10	82
Total	**8**	**101**	**1 550**

Registration of political parties

Seven new parties were registered during the period under review. A total of six parties were registered at a national level and one party was registered at a municipal level. In line with the legislation on unrepresented parties, those parties that failed to renew their annual registration were deregistered. Three parties were deregistered at a national level, while nine parties were deregistered at a local level.

Table 10: Political party statistics

	National	Municipal	Total
Registered	6	1	**7**
Deregistered	3	9	**12**

Nomination process

The Municipal Electoral Act sets out the requirements for participation in the elections of municipal councils. These requirements relate to both registered political parties and prospective independent candidates.

A registered party may nominate a person to contest an election in a ward as a ward candidate representing the nominating party. Registered parties may also contest the proportional representation element of a municipal election. On the other hand, a registered individual who is ordinarily resident in the municipality in which a particular ward falls may also nominate a person to stand in the ward as an independent ward candidate.

Registered parties must each submit a list of candidates in a fixed order of preference in terms of section 14 of the Municipal Electoral Act. This section requires that the list of candidates be accompanied by the following:

- Notice of intention to contest
- An undertaking binding the party and its office-bearers, representatives and members to the Electoral Code of Conduct
- A declaration that each candidate on the list is qualified to stand for election in terms of the Constitution or national or provincial legislation
- An acceptance of nomination, signed by each candidate
- An undertaking signed by each candidate that that candidate will be bound by the Code
- The relevant deposit

Independent candidates are further required to submit 50 supporters' signatures.

Legislation makes provision for parties and ward candidates who have not complied with all the

requirements to be notified of their non-compliance and to be afforded an opportunity to submit outstanding documents. In accordance with the election timetable, the Commission notified political parties and independent candidates on 4 April 2011 of non-compliance on their part or of any outstanding documents to be submitted. Parties and independent candidates were given until 17:00 on 8 April 2011 to comply.

Thereafter, the Commission compiled a list of proportional representation candidates for each municipality of parties contesting the elections and a list of candidates contesting each ward. These lists were certified on 12 April 2011. On 29 April 2011, the Commission issued certificates to those candidates on party lists and to ward candidates. The 2011 municipal elections were contested by 121 parties and 53 757 candidates.

Table 11: Numbers of candidates in each province in 2011

Province	Party proportional representation	Party ward	Independent	Total
Eastern Cape	3 546	3 528	165	**7 239**
Free State	1 500	1 753	31	**3 284**
Gauteng	3 064	5 890	80	**9 034**
KwaZulu-Natal	4 696	5 609	107	**10 412**
Limpopo	3 035	3 453	172	**6 660**
Mpumalanga	2 046	2 286	46	**4 378**
North West	1 787	2 204	54	**4 045**
Northern Cape	819	754	27	**1 600**
Western Cape	2 810	4 223	72	**7 105**
Total	**23 303**	**29 700**	**754**	**53 757**

Voting in the 2011 municipal elections

Election Day for the 2011 municipal elections was on 18 May 2011, with special voting days on 16 and 17 May 2011. Voters who were registered in metropolitan council municipalities received two ballot papers at their voting stations: one to vote for a candidate to represent their ward and a second proportional representation ballot to vote for a party to represent them in the municipal council.

Voters registered in local council municipalities received three ballot papers: one for the ward, a proportional representation ballot for a party in the local council, and a third proportional representation ballot for a party in the district council. This third ballot relates to the 40% proportional representation portion of the district council municipality.

The different types of ballots are due to the mixed member compensatory proportional electoral system that applies to municipal council elections (which combine proportional representation and first-past-the-post systems). In total, there were 4 555 unique ballot papers in the 2011 municipal elections. This figure was comprised of 4 277 ward ballots, 226 local council proportional representation ballots, eight metropolitan council proportional representation ballots and 44 district council proportional representation ballots.

On Election Day, voting stations opened at 07:00 and closed at 19:00. Close to 90% of voting stations had opened by 07:00, with the balance of voting stations opening during the course of the morning.

A total of 13 664 914 of the 23 655 046 registered voters voted in the 2011 municipal elections and 54 655 MEC 7 votes were cast. This provides for a voter turnout of 57.6%. Prior to the election, the Electoral Commission had indicated that it was aiming for a voter turnout of 45%. The turnout compared favourably to the voter turnout of 48.4% in the 2006 municipal elections and 48.07% in the 2000 elections.

Voter turnout in the 2011 municipal elections was the highest in the Western Cape (64.37%), Northern Cape (63.36%) and KwaZulu-Natal (61.53%). It was lowest in Limpopo (50.05%), North West (53.47%) and Gauteng (55.77%).

The percentage of spoilt ballots in the 2011 municipal elections stood at 1.89%, which compared favourably with the figures for 2006 and 2000, which were 2.27% and 2.36% respectively.

Special voting in the 2011 municipal elections

Special voting for municipal elections was introduced for the first time in the 2011 municipal elections. The law provides for two categories of special voters: those who cannot travel to the voting station due to physical infirmity or disability, and those who can visit the voting station but who cannot do so on Election Day. The election timetable for the 2011 municipal elections set aside 16 May 2011 for special voting at voting stations, and 16 and 17 May 2011 for special voting for home visits.

A voter who intended to cast a special vote was required to apply for a special vote between 15 April and 3 May 2011, and was required to apply in person (or through a proxy) at the municipal electoral office responsible for the voting district in which the voter was registered to vote. A total of 239 000 applications for special votes were received, which represented 1% of the total number of registered voters for the 2011 municipal elections. Of the 239 000 special vote applications received, 3% of the applications were rejected. Special vote applications were rejected mainly because applicants were not registered to vote, and owing to the physical address of an applicant who had applied for a home visit not being located in the same voting district as that in which the applicant was registered to vote.

All special vote applicants were notified of the outcome of their application by way of a special vote notification. This could be in the form of a system-generated paper printout from the Municipal Electoral Office on application, a mobile telephone text message or an email message. Applicants could also check the outcome of their application on the Electoral Commission's website www.elections.org.za.

Of the 232 096 approved special vote applications, 163 549 special votes were cast on 16 and 17 May 2011 (representing a 70% special voter turnout).

The HSRC's voter satisfaction survey revealed that 98% of voters participating in the 2011 municipal elections found the voting procedures inside the voting station to be easy, to very easy to understand. The survey also found that 97% of voters were satisfied with the secrecy of the vote, while 97% of voters believed the elections to be free and fair. Furthermore, 97% of the voters were satisfied with the level of service provided to them by the Electoral Commission.

The domestic and international media, political parties, and domestic and international election observers also judged the 2011 municipal elections to be free and fair.

Results

The votes were counted at the voting stations where they were cast. Political party agents and observers witnessed the entire counting process. Counting commenced as soon as possible after the close of voting and continued until all ballots had been counted. Upon completion, counting officials announced the results at their voting stations. All election material, including election results slips, was returned to the municipal electoral officers under security escort.

The results slips were checked for errors at the municipal offices of the Commission before being scanned, captured by data capturers into the Commission's computerised results system, and verified and audited by the external auditors that had been appointed by the Commission. A total of 620 results auditors were distributed to ensure a presence at all of the Commission's municipal offices, and ensured that the results, as recorded on the results slips, were the same as had been captured into the Commission's results system.

The Commission established one national election results centre and nine provincial results centres with the objective of providing a focal point for electoral officials, political parties and the media to monitor the electoral process from Election Day until the announcement of the election results. Political party representatives were able to access scanned images of the results slips and check these images against the results data that had been recorded in the results system. The scanning of results slips was a measure introduced by the Electoral Commission before the national provincial elections of 2009 with the aim of enhancing the transparency and credibility of the results process.

In summary, the Commission introduced the following measures to enhance the transparency and credibility of the counting of the votes:

- The results system was audited and tested extensively, and political parties were invited to second their information technology specialists to do the same.
- The results system was designed with automated quality checks to ensure that anomalies were investigated and corrected before being publicly released.

- Results were audited by the external independent auditors (namely the SEDS Consortium, comprising SAB & T, Deloitte, Ernst & Young and Sizwe Ntsaluba VSP) at the municipal electoral offices where the election results were recorded onto the municipal election results system.
- Election result slips were scanned at the municipal electoral offices. The scanned images of all the results slips were available to political parties and Electoral Commission officials at the national and provincial results centres. Being able to view the scanned images of results slips enabled the further verification of results as recorded on the results system.
- Political party and media representatives at the results centres were able to access the municipal election results system to monitor the recording and verification of results, and to monitor the performance of political parties.

In addition to witnessing the vote counting process, representatives of political parties, candidates, and national and international electoral observers were permitted to copy the statement of the count documenting the results of the counting process.

Furthermore, during the counting and recording of the results, officials of the Commission conducted regular meetings with political party representatives at the results operations centres to explain the process and to respond to questions and complaints openly and in a timely manner.

In terms of the law, the Commission is required to declare the results of elections within seven days after such elections. By 19:00 on 19 May (24 hours after voting stations were closed), 92% of the results slips had been captured, audited and scanned. The final results of the 2011 municipal elections, collated from a total of 58 152 results slips, were available within 56 hours of these elections. In the 2006 municipal elections, all results were recorded and audited within 50 hours (no scanning of results slips occurred during these elections).

The Electoral Commission announced the results of the municipal elections at a function at the national results operations centre on 21 May 2011. The results were published in the *Government Gazette* on 26 May 2011, which designated elected councillors.

The election of district councils occurred partly on 18 May 2011 (40% of district councillors are elected on a proportional representation basis by voters) and partly within 14 days after Election Day. The remaining 60% of district council seats were filled by representatives elected from and by the local councils.

Ward vacancy by-elections

A total of 76 ward vacancies occurred during the period under review, which required the Electoral Commission to conduct by-elections. The number of ward vacancies decreased by 66% compared with 126 by-elections in 2010/11 and 139 by-elections in 2009/10. It should be noted that the first by-elections were conducted on 7 September 2011 after the municipal elections of 2011 on 18 May 2011, which partly explains the decrease in the number of by-elections year-on-year.

Ward vacancies are required by law to be filled within 90 days of the date on which the vacancy occurs. All ward vacancies that arose in the period under review were filled within 90 days. The main reasons for the 76 by-elections were the resignation (67%) and the death of councillors (30%).

Table 12: Number of by-elections that occurred during the period 1 April 2011 to 31 March 2012

Province	By-elections	Number of voting districts	Number of wards	Number of registered voters
Eastern Cape	15	111	15	71 983
Free State	4	12	4	14 015
Gauteng	6	28	6	60 285
KwaZulu-Natal	8	43	8	45 770
Limpopo	24	121	24	123 249
Mpumalanga	12	52	12	47 636
North West	0	0	0	0
Northern Cape	1	5	1	2 184
Western Cape	6	29	6	47 818
Total	**76**	**401**	**76**	**412 940**

Electoral Logistics

Election preparations

Planning logistics for the 2011 municipal elections started early in 2010. As Electoral Logistics consumes a significant portion of the Electoral Commission's budget, procuring and distributing election material and equipment from national to voting station level were planned with care and precision.

As Election Day was to take place very early in the 2011/12 financial year, the bulk of logistical preparations for the elections were carried out during the latter part of 2010/11. Only items that were reliant on election timetable activities, such as the printing and distribution of the final voters' roll and ballot papers, were left to be finalised in the new financial year.

The complete final voters' roll was uploaded onto the Commission's fleet of portable barcode scanner units (PBSUs) before deploying these to all voting stations to facilitate the tracking of voter names on the voters' roll and record voter turnout statistics.

Ballot papers

Prior to 2011, ballot papers for municipal elections had been printed on coloured paper in black ink only. For the 2011 municipal election, however, ballot papers had to be printed in full colour on white paper with various new security features, such as counterfoils and ballot numbering. In all, 4 555 ballot paper permutations, totalling approximately 70.5 million ballot papers, were required. About 500 tons of locally produced paper was used for this purpose only.

Voting material

The following key criteria applied to the Voting Materials Plan:

- Forecasting (materials requirement planning)
- Procurement (identification, specification and purchase)
- Warehousing and storage (processes and procedures)
- Inventory control (warehouse stock management)
- Supplier management (production quality and schedules)
- Distribution planning
- Distribution communication (track and trace)
- Delivery to voting stations (municipal electoral officers and presiding officers)
- Roll-back of reusable stock
- Salvage, recycling and disposal of redundant items

All the necessary materials for use during the 2011 municipal elections were successfully procured and distributed to voting stations on time.

Distribution network

The Electoral Commission's distribution network consists of 10 warehouses: one warehouse in each province and a central warehouse controlled from the national office. Storage facilities at local level are only required for a limited time during peak election periods and can be in the form of a storeroom, storage shed or simply shelving, dependant on current quantity needs.

The Commission maintains minimal permanent resources in support of this process and subcontracted resources are utilised as needed.

Electronic support systems

The logistics information system is a computerised system used for the planning, monitoring, management and control of electoral materials.

A comprehensive bill of materials is created for each event. By registering the bill of materials on the logistics information system, detailed material requirement planning lists are produced to allow the accurate procurement and distribution of electoral materials.

The logistics information is accessible to all levels of the organisation: national, provincial and municipal. The systems, applications and products system is utilised to record the movement of stock items, from procurement to final issue (consumption). This ensures effective material management and accountability.

By-election support

Following the 2011 municipal elections, all by-election ballot papers had to comply with the requirements as applied to the 2011 municipal elections ballot papers. By-election ballot papers therefore also had to be printed in full colour with the required security features. This requirement necessitated specialised printing by appropriately equipped printing companies. As the ballot papers were previously printed directly from the ballot paper generation system at the local office of the Commission, the impact of this requirement was substantial in terms of cost and time.

Logistics support for by-elections after the 2011 municipal elections therefore comprised the following:

- Management of the ballot paper generation system. This system creates the images of individual ballot papers and result slips for each ward by-election.
- Creation of a bill of materials and a material requirement plan for each ward by-election on the logistics information system.
- Management of the materials supply chain for by-elections. This includes the procurement, quality control, distribution and overall monitoring of electoral materials.
- Management and monitoring of security materials.

Electoral material for by-elections was managed successfully. All material was replenished on time and within budget. The PBSUs were also deployed for the purposes of by-election voter registration and Election Day support at voting stations.

Table 13: Voting station type

Province	Voting districts	Permanent	School	Temporary	Mobile
Eastern Cape	4 560	4 426	77%	131	3
Free State	1 320	1 173	50%	147	0
Gauteng	2 480	2 070	53%	410	0
KwaZulu-Natal	4 358	4 187	74%	162	9
Limpopo	2 781	2 692	81%	88	1
Mpumalanga	1 565	1 484	65%	68	13
North West	1 570	1 477	57%	90	3
Northern Cape	655	628	32%	22	5
Western Cape	1 570	1 517	44%	51	2
Total	**20 859**	**19 654**	**66%**	**1 169**	**36**

Voting station infrastructure

For the 2011 municipal elections, the voting station network increased to 20 859, which represented an overall 6% increase when compared to the 19 726 stations that were utilised for the 2009 national and provincial elections.

Population growth, new settlement patterns, the requirement of improving voter accessibility and the new municipal demarcation data continue to be the primary contributing factor to the increased voting station footprint.

Fixed and permanent structures, especially schools, are preferred as voting stations. The voting station network comprised 66% schools.

Regular surveys of the voting station network are conducted countrywide to keep abreast of key infrastructural developments as voting stations provide an essential platform for the delivery of elections. Continued emphasis is given to sanitising and improving the quality of data available on the Commission's voting station database, which is used to inform infrastructure initiatives and programmes.

Of the 19 654 permanent voting stations that were used for the 2011 municipal elections, 16% have no operating electricity, 14% have no water and 9% are without sanitation (see Table 14).

Table 14: Voting station facilities

Province	Without electricity	Without water	Without sanitation	Without GSM coverage
Eastern Cape	1 145	697	318	21
Free State	234	189	205	1
Gauteng	438	388	422	0
KwaZulu-Natal	838	718	232	1
Limpopo	175	370	216	13
Mpumalanga	125	130	95	3
North West	145	146	126	2
Northern Cape	55	48	51	47
Western Cape	58	70	78	15
Total	**3 213**	**2 756**	**1 743**	**103**

The Electoral Commission, through various inter-departmental and other task team initiatives, continuously seeks opportunities to enhance or develop facilities at existing voting stations, especially at schools and community centres, by cooperating with landlords, government departments and other stakeholders.

All voting stations were brought to an acceptable level of infrastructural functionality and activated for the 2011 municipal elections.

Voting station infrastructure was furthermore maintained and activated to support the 76 by-elections that took place during the year. For the 2011/12 financial year, 401 voting stations were secured and equipped to service 412 940 registered voters in support of by-elections.

The practice of securing voting stations through standardised lease agreements between the Commission and landlords continues. The average rental for voting stations decreased from R480 to R460 per event (basically to cover overheads such as electricity, water and other domestic usage) for the 2011 municipal elections in comparison to the 2009 national and provincial elections.

The operations that successfully complied with the performance target set in terms of infrastructure were as follows:

- A total of 20 859 voting stations were secured and functionally equipped per national registration and election event.
- Schools now form 66% of the voting station network.

Local (municipal) office infrastructure

The requirement for full-time resources permanently located at municipal level is necessitated by the day-to-day electoral matter needs and election-related projects. In response to these requirements, the Commission has established over 270 local offices in 234 municipalities throughout the country to serve the public and deliver election projects at a local level.

The Infrastructure Section is responsible for establishing and maintaining infrastructural capacity for these offices that are typically staffed by electoral project coordinators. To this end, a valid rental agreement is in place for every local office. Capacitation programmes are also implemented to provide and maintain basic local office infrastructure.

The Electoral Commission also appoints a local representative, known as the Municipal Electoral Officer (MEO), in each of the 234 municipalities in the country. MEOs are normally suitably qualified senior council employees, responsible for providing election-related assistance in their specific municipal area.

MEOs are paid an honorarium to compensate them for their extra work. They facilitate cooperation between the Electoral Commission and their respective municipalities and promote the functional relationship between the Commission and the municipality in the registration of voters and management of the elections. MEOs are not directly involved in operational matters.

The Infrastructure Section is responsible for ensuring the existence of a valid MEO appointment for each municipal council. A local expansion model that includes the appointment of sub MEOs and district council MEOs was implemented for the 2011 municipal elections.

SUMMARY OF PROGRAMME PERFORMANCE

Programme 3				
Performance Indicator	**Baseline (Actual Output) 2010/11**	**Actual Performance against Target**		**Reason for Variance**
		Target (2011/12)	**Actual (2011/12)**	
3.1.1 Proportion of voting districts where the boundary of the voting district is a distance of less than or equal to 7.5km to the voting station in urban areas and 12.5km to the voting station in rural areas	96%	96%	96%	
3.1.2 Number of venues provided to voters at which to vote	20 859	22 000	20 859	The adoption of a new voting centre strategy permitted the establishment of fewer separate voting stations while maintaining and improving voter access in a cost-effective manner.
3.2.1 Number of registered voters on national voters' roll	23 655 046	22 999 273	23 363 394	The IEC exceeded its target by 1.58%, largely due to a drop in the mortality rate.
3.2.2 Frequency that voters' roll is checked against national population register for an up-to-date and accurate voters' roll (number of checks per year)	12	12	12	
3.3.1 Number of meetings with members of party liaison committees (PLCs) at national, provincial and municipal levels	2 002	1 234	1 695	The IEC executed its planned programme. Increased contestation, however, called for more consultation with political parties and thus an increase in the number of meetings.
3.3.2 Availability (in working days) of electronic party register at Commission offices	240	240	240	
3.3.3 Finalisation of the application for the registration of a political party in 35 working days	35	35	35	

Programme 3				
Performance Indicator	**Baseline (Actual Output) 2010/11**	**Actual Performance against Target**		**Reason for Variance**
		Target (2011/12)	**Actual (2011/12)**	
3.4.1 Percentage of elections for which voters' roll is certified in accordance with election timetables	100	100	100	
3.4.2 Percentage legal compliance of contesting candidates in an election	100	100	100	
3.4.3 Maximum number of calendar days in which elections are conducted from date of vacancy	90	90	90	
3.4.4 Maximum number of calendar days in which to replace PR seat vacancies	35	35	35	
3.4.5 Time period in calendar days in which election results are announced by the Commission	7	7	3	The legislation allows for seven days, which is the IEC's target, as this allows for time to resolve all possible objections. The IEC obviously has to attempt to exceed that target.
3.4.6 Proportion of registered voters who vote in the 2011 municipal elections – voter turnout	n/a in baseline year	45%	57.6%	In the previous two municipal elections, the turnout had not exceeded 48%. In addition, the turnout for national and provincial elections has decreased gradually over time. The IEC therefore realistically expected that, in keeping with these trends, the turnout for the municipal elections would be slightly lower than before. However, voter turnout is a function of efforts from the side of the Commission, but also a function of media efforts, party campaigning and the political issues which inspire voters to vote. In the end, a combination of all these factors led to a higher than expected turnout of voters.

Programme 3				
Performance Indicator	**Baseline (Actual Output) 2010/11**	**Actual Performance against Target**		**Reason for Variance**
		Target (2011/12)	**Actual (2011/12)**	
3.5.1 Number of warehouses, storage facilities and full-time distribution services available to support electoral events	10 / 237 / 1	10 / 234 / 1	10 / 234 / 1	
3.5.2 Percentage of voting stations issued with electoral materials for each electoral event	100	100	100	
3.6.1 Number of municipalities in which local offices are established and are functioning	237	234	234	
3.6.2 Number of voting stations secured and functional	20 859	22 000	20 859	496 voting centres were created with 1 504 substations. This allowed for a reduction in the anticipated number of voting stations. See 3.1.2
3.6.3 Number of schools used as voting stations for full-scale elections	13 788	13 200	13 760	The IEC exceeded its target by 4%. It increasingly experienced problems with access to schools for use as voting stations due to the nominal rentals it pays and expected a slight reduction in availability. In the end, its intense efforts to access schools fortunately prevailed and a drop in usage was prevented.

PROGRAMME 4: OUTREACH

This programme comprises civic and democracy education, research and knowledge management, and communication

PURPOSE: Outreach informs and educates the public on democracy and electoral processes and manages the communication activities of the Electoral Commission. It also conducts research on the latest developments in elections and democracy.

There are 33 permanent personnel in the unit at the national and provincial levels who provide support in achieving the strategic goal and objectives of this programme. The staff structure is expanded during election periods to assist with civic education programmes.

Outside of general elections, the Electoral Commission has an opportunity to strengthen electoral democracy through outreach programmes.

Budget allocations to date have been utilised to fund temporary staff capacity at a local level and in civic society organisations. Issues have been identified with the current service delivery model in that there is no provision for a permanent resource that would provide for a sustainable solution. The implementation of permanent local level, professionally trained and experienced civic and democracy education resources was piloted through fixed-term contracts in the period leading up to the 2011 elections. This temporarily addressed the challenge of the dearth of professionally trained and accredited civic education trainers.

STRATEGIC OBJECTIVES

Strategic Objective 4.1: Inform and educate the public on democracy and electoral processes

Objective statement: Implement civic and democracy education programmes to reach 1.5 million people within the financial year

Strategic Objective 4.2: Position the Commission as the leading repository and generator of knowledge on electoral democracy

Objective statement: To institutionalise research and knowledge management by designing, implementing and maintaining knowledge management policies and procedures in 2011/12 that enables the Commission to generate, preserve and disseminate its intellectual capital (knowledge assets)

Strategic Objective 4.3: Intensify communication with relevant stakeholders on electoral democracy

Objective statement: Reach out to internal and external stakeholders through a variety of programmes and platforms within the year under review

PERFORMANCE INDICATORS AND TARGETS

Civic and Democracy Education

The Commission conducts civic and democracy education programmes on an ongoing basis to develop an active and informed citizenry. This is also done to foster meaningful public participation in democratic processes. These processes take place before, after and between elections.

Civic and democracy education plays a fundamental role in the electoral process. Voter education is a pivotal aspect of civic education, and is imperative for a free and fair election. Voter education assists in ensuring that voters are ready, willing and able to participate in electoral politics in a climate of tolerance and respect.

To give effect to the above approach and to deepen democracy, the aims of civic education are as follows:

- Promote a culture of democracy and human rights by creating and emphasising awareness of civic responsibilities
- Increase knowledge and understanding of electoral processes
- Empower target groups and voters in areas where voter turnout has historically been low to participate fully in electoral processes
- Decrease the number of spoilt ballots

The civic and democracy education programme realises these aims by using a delivery approach that is continuous, sustainable, dynamic and research-driven.

The year under review began on an inspiring note with unparalleled voter turnout in the 2011 municipal elections. Diverse multiplatform civic and voter education campaigns, among other factors, contributed to greater citizen participation. Voter education activities were underpinned by the Commission's compelling thematic appeal to voters to "Love Your South Africa".

Civic and democracy education events for 2012

During the 2011/12 financial year, the Commission conducted 89 321 events and directly reached 5 553 351 participants.

Table 15: Number of events

Province	Total number of events
Eastern Cape	8 235
Free State	6 528
Gauteng	3 939
KwaZulu-Natal	27 878
Limpopo	3 252
Mpumalanga	207
North West	28 912
Northern Cape	8 426
Western Cape	1 938
National Office	6
Total	**89 321**

Voter education material

The municipal elections illustrated booklet was widely acknowledged as an inclusive and powerful tool for voter education. The booklet was produced in the following 35 versions:

- A main version in all 11 official languages
- A simple plain language version in all 11 official languages for low literacy levels
- A large-font version in all 11 official languages for the visually impaired and partially sighted
- A Braille version
- A version in audio format

Balloting education pamphlets were produced in all 11 official languages, as well as in the Nama language. During the fiscal year, 1 807 848 materials were distributed. Materials included educational materials (pamphlets, booklets and other Commission publications) and promotional materials.

Expansion staff for mass civic and democracy education for the 2011 municipal elections

Implemented voter education campaigns comprised various strategies to ensure maximum reach. A critical approach was to reach potential voters in communities directly through civic and voter education events and presentations. Short-term contract expansion staff were recruited and trained specifically to conduct non-partisan voter and balloting education. Over 3 500 contract staff members were appointed to run these mass civic and democracy educational events and activities in the run up to the 2011 municipal elections. The Commission's expansion civic education capacity included democracy education facilitators, municipal outreach coordinators and civil society organisations. Partnerships with civil society organisations and other stakeholders, such as traditional leadership structures, promoted sustainability.

An important landmark achievement in the 2011 election was the appointment of 61 outreach project coordinators at district level to coordinate, conduct, implement and monitor educational events. The Commission always prioritised the need to develop and cumulatively build civic education visibility and capacity at a local level. This is a national Chapter 9 educational best practice, enabling the Commission's compliance with, for instance, the *Report of the ad hoc committee on the review of Chapter 9 and associated institutions*, which recommended that particular attention should be focused on making local offices of Chapter 9 institutions "more visible with regard to public education".

Stakeholder management and partnerships for sustainability

In the promotion of civic and democracy education, one of the strengths of the Commission is its ability to collaboratively engage diverse stakeholders across an array of functional disciplines in society. Such continuous engagement with stakeholders is necessary to ensure understanding of the electoral process. This is important in that electoral knowledge that is created is used to mobilise constituencies for participation in the elections.

Through building strong relationships and partnerships with strategic stakeholders (which include other Chapter 9 institutions, civil society organisations, faith-based organisations, the private sector, the disability sector, tertiary institutions, traditional leadership structures, state departments, mainstream and community media, and the public broadcaster), the Commission endorses and encourages a collateral and collective responsibility with partners for strengthening constitutional democracy and entrenching a culture of democracy.

In the 2012 fiscal year, key partnerships were forged with a wide range of stakeholders, such as the South African Broadcasting Corporation (SABC), the

Media Development and Diversity Agency (MDDA), the National Community Radio Forum (NCRF), the Department of Basic Education (through school voter education activities and the running of School Governing Body elections), the South African Local Government Association (SALGA), all the Chapter 9 institutions, the South African National Council for the Blind (SANCB), provincial and national Houses of Traditional Leaders, the Deaf Federation of South Africa (DeafSA) and various other civil society organisations.

Disability and citizenship: collaboration and consultation with the disability sector

The Commission continues to keenly advance the active participation of persons with disabilities in civic education activities and electoral events.

For the 2011 municipal elections, the Commission collaborated with the SANCB, which is an umbrella body for 107 blindness organisations and groups in the visually impaired sector. The Commission signed a memorandum of understanding with the SANCB, resulting in the development of a tactile braille template with numbering in a white font, now known as the universal ballot template. The aim of the template was to facilitate the equitable participation of all South Africans, including the visually impaired, in the voting process and the right to a secret ballot.

The partnership with the SANCB enables ongoing capacity-building for visually impaired persons in the area of electoral democracy. A refresher national training course on the use of the universal ballot template and on by-elections was held in March 2012.

Representatives of SANCB were also accredited observers at the 2011 municipal elections. The observers visited polling stations throughout the country and fielded observers in all provinces on Election Day.

The Commission works with a host of civil society organisations in the disability sector, such as DeafSA and others, and continues to reach out to differently abled and challenged groups in order to continue improving their voting experience.

The universal ballot template

The template has been acknowledged as a laudable achievement, and has achieved a regional benchmark in catering for the needs of visually impaired persons.

This template was designed for wider use and is also being propagated as a voting aid for other voters with disabilities or special needs, such as the elderly, persons with a low literacy, those who may have problems with dexterity, or blind persons who are not Braille literate.

As an innovation, there was varied use and understanding of the universal ballot template in the 2011 elections. Going forward this will be addressed by ongoing awareness-raising sessions on the universal ballot template for visually impaired persons and other voters, as well as for presiding officers and electoral staff. Similarly, there will be ongoing engagement on and sensitisation to the needs of visually impaired persons and other disability groups.

Multimedia civic and democracy education

The Commission continually aims to focus on innovative ways to increase voter registration and enhance voter education. The Commission's partnership with SABC Education produced a multiplatform civic and democracy education campaign for the municipal elections with radio, television, online and outreach activities.

- **Radio:** Various election-related radio dramas, talk shows and voter education messages were broadcast on all public and commercial stations.
- **Television:** A 13-part series of *Walala Wasala* was flighted on SABC 1 at 18:30 on Thursdays from March 2011 to May 2011. The show engaged the youth about civic rights and duties, encouraging active participation in democratic processes. The series was very successful, achieved high audience ratings, exceeding 15 in the core target age group of 16 to 25 and up to an astonishing 19 audience ratings in the 22 to 24 age group, outperforming some of South Africa's major soap operas in the same time slot.
- **Online:** The *X for Democracy* website, www.xfordemocracy.co.za, was relaunched.
- **Voter education road shows and outside broadcasts for rural communities:** These were held in Driefontein (outside Piet Retief in Mpumalanga), Thaba Nchu (in the Free State) and Makgobistad, Ratlou Municipality (in North West).
- **The democracy game show *The Right to Win* on SABC 2:** Broadcasting of this 13-part series began on 5 May 2011. Aimed at a broad crossover audience, the show was commissioned by the SABC and the Electoral Commission as a means of educating people about how voting defends and

enhances constitutional democracy. This was one of the first game shows in the world to focus solely on democracy issues and was hailed as a world first for voter education. The show raised awareness of the Electoral Commission, of the municipal elections and of broad democracy, and civic and voter education topics.

ICASA 2011 Municipal Election Monitoring Report

Two key independent studies endorse the effectiveness of radio and television in encouraging citizen participation.

With regard to voter education, the Independent Communications Authority of South Africa (ICASA) found that the broadcast media were very effective in advancing voter education by providing information to voters about how, when and where to vote, the secrecy of the ballot, and the role and importance of voting. The ICASA report acknowledges the preoccupation on the part of the Commission in ensuring that the electorate is not only well informed, but that people understood the value of their voting power.

The HSRC voter participation study

The Human Sciences Research Council conducted a voter participation survey for the Commission. The study revealed that there is very high satisfaction with the content of education programmes (96%) and with the channels used (84%).

Community radio

Since 2009, the Commission and the MDDA, in collaboration with the NCRF, have partnered to develop links with the community media sector to use community radio and community print media to promote civic and voter education before and during election periods.

In the year under review, a memorandum of understanding with the MDDA enhanced nationwide participation of communities and of community media practitioners in the municipal elections. Consultative briefings on election readiness were convened with the community media sector. Capacity-building sessions were held with community radio practitioners and syndicated voter education programming was developed, enabling facilitated discussions on community radio talk shows. Campus radio stations were also involved. This resulted in large-scale awareness-raising and increased knowledge of the 2011 elections through customised content in local languages.

The project targeted communities with a traditionally low voter turnout and vulnerable groups, such as farm dwellers, visually impaired persons and persons with low literacy levels. Radio, among other factors, contributed to a record participation of 57.64% in the 2011 municipal elections.

By-elections, corporate and institutional elections

The period after the 2011 elections provided the opportunity to reengage the public on the Commission's ongoing work in the area of by-elections and institutional elections. Both types of elections provide opportunities to increase participation in and understanding of electoral processes, and for deepening the democracy identity of communities and institutions, with a strong emphasis on cultivating robust citizenship.

In response to requests received, the Commission promotes good governance and democracy within institutions by assisting with the running of these elections, where voter education, and technical and administrative guidance are provided.

Benchmarking civic and democracy education

Globally, trends increasingly recognise the importance of civic education. Benchmarking and information-sharing with other election management bodies is an ongoing and important focus. In the past year, the Commission had the opportunity to engage on civic education and electoral participation programmes with the Independent Electoral Commission of Botswana. The Commission also participated in the Voter Education Working Group of the Commonwealth Network of National Election Management Bodies, hosted by the Election Commission of India.

Increasingly, the work of the Commission will be measured in the area of continuous, quality civic and democracy education. The entrenchment and deepening of democracy depend on it.

Research and Knowledge Management

During the 2011/12 financial year, the Commission undertook the following research projects:

- A national voter participation survey conducted by the HSRC to assess the views of voters prior to the

2011 municipal elections. This survey was used to determine future civic and democracy education programmes.

- An election satisfaction survey conducted on Election Day to examine voter satisfaction with the election. This study was used to ascertain the views of the voters on the fairness of the voting process, including the amount of time they waited in queues before voting.
- A programme analysis and impact assessment study on the monitoring and evaluation of civic and democracy education, which was conducted by the Educational Support Services Trust towards the end of 2010. This study was commissioned to evaluate the impact of the Commission's civic and democracy education campaigns and programmes. The study was concluded at the beginning of 2012 as the remaining leg of the research coincided with the preparations for the 2011 elections.

Communication

The profiling of the Electoral Commission and its mandate remained a focal point of communication activities. This included the persuasion of the youth, the elderly and disabled voters to participate. Further activities included reaching voters in rural and remote areas of the country and supporting the ongoing programmes and activities of the Electoral Commission.

The communication strategy covered critical phases in the planning and implementation of the election campaign, as well as the announcement of the results:

- Ongoing awareness of the municipal elections through stakeholder engagement
- Proclamation of Election Day, including the election timetable
- Signing of a code of conduct by political parties
- Voter and balloting education
- Election Day news coverage
- Announcement of the results

The Commission also launched its inaugural digital media campaign for elections in which social media platforms like Twitter and Facebook were activated.

Media relations

The objective of the media relations strategy was to ensure the seamless integration of all activities undertaken with the media leading up to Election Day and beyond. The Communication Department identified issues such as the introduction of special votes for municipal elections that would enable the Electoral Commission to maximise its engagement with the media and thus increase coverage for municipal elections. The strategy further sought to maintain the organisation's profile.

A five-phase media relations action plan was implemented from July 2010 until the announcement of election results on 21 May 2011. This action plan was linked to the elections timetable, and had specific activities and desired outcomes.

Consultations with print and electronic media took place in the months leading up to the 2011 municipal elections and the Commission entered into partnerships that ensured that South Africans are engaged on the electoral processes with various media groupings. With the assistance of provincial offices, community media received premium attention as a catalyst for reaching and engaging communities at local level. National and provincial media also forms part of the broader communication activities.

Selection of communication channels

South African citizens are widespread and diverse in terms of their characteristics. A person's preferred media source depends on his or her location (for example, rural or urban), age, level of education and literacy, and socioeconomic status, among other things. In addition, information regarding the elections had to be communicated in all 11 official languages, where possible.

Particular attention was paid to media that was accessible to those in remote and outlying areas. For this reason, community media, radio and print received strong focus in the Commission's communication strategy.

In addition, the Commission expanded its electronic communication offerings in preparation for the elections. The citizenry could access their voting station details by sending an SMS, and the toll-free call centre addressed additional queries from the public. The website, www.elections.org.za, could also be accessed for information.

The 2011 municipal elections campaign also marked the first time that social media, such as Twitter, Facebook and MXit, were used to communicate relevant information to both media representatives and the public at large.

The Commission's website featured a media centre where media representatives could access up-to-date information, as well as a microsite that contained all campaign-related information.

In addition to standard vehicles used to communicate with the media – such as briefings, interviews and media releases – the national Results Operation Centre (ROC) played a critical role in fulfilling its function, thus contributing towards the credibility and transparency of the election process. This facility also provided the media with easy access to other stakeholders like political parties and election observers.

Media representatives were provided with office space, computers, printing and fax facilities. They also had access to reports on the elections results system and were given training in using the system.

From Election Day through to the announcement of the results, the Electoral Commission relocated its commissioners and officials to the ROC, which also housed representatives from the print and electronic media, political parties and other stakeholders. Media representatives were able to conduct interviews with commissioners, officials and political parties, and South Africans received news as it happened.

In addition, nine provincial centres were linked to the ROC media network with the aim of offering facilities to the media and other stakeholders in these centres, and to facilitate access to information on voting and the results.

Media activities that were offered at the ROC included the following:

- Briefings on aspects such as election readiness and breaking news
- Scheduled and unscheduled interviews, managed by a dedicated Commission team
- Media releases
- Live broadcast of the announcement of election results
- Election results reports

Media Relations Action Plan

This action plan and its implementation are detailed in the table below. In addition, media monitoring was conducted across all phases to ensure that the necessary information was communicated to the electorate.

Media Relations Action Plan

Activity	Outcome
Countdown to Election Day (11 April to 11 May 2011)	
This period covers the month leading up to the launch of the ROC. It is characterised by maximum media reporting on state of readiness for Election Day.	• Media briefings • Media releases • Scheduled interviews • Response to queries
Phase 4: Election Day (18 May 2011)	
The media encouraged all eligible South Africans to vote, and logistics surrounding the voting process were communicated once again. The number of ballot papers and their application became a key editorial issue, ensuring that the electorate understood the number and type of ballots. Finally, the media also took residence at the ROC from 11 May until the announcement of the results.	• Media briefings, media releases and interviews • Management and promotion of the toll-free call centre • Promotion of the SMS facility • Promotion of the Commission's social media presence • Development of the microsite for media representatives • Content uploading of the microsite for media representatives • Partnership with LeadSA
Phase 5: Results counting and announcement (21 May 2011)	
The first results were uploaded just after midnight on 18 May 2011. Media organisations and political commentators analysed the results as they appeared on the electronic screen at the ROC, and many media representatives broadcast live from this facility.	• Media briefings, media releases and interviews • Management of queries from the toll-free call centre • Promotion of the SMS facility • Promotion of the Commission's social media presence • Content uploading of the microsite for media representatives • Update of the media centre on the website • Continued partnership with LeadSA

Media monitoring

The Electoral Commission continuously monitored coverage of the institution across all media platforms, especially during the voting phase of the 2011 municipal elections campaign.

These reports provide relevant information to the Commission, thereby enabling the organisation to be forward-thinking and prepare for appropriate interventions. For the period under review, 12 media analysis reports were recorded.

Mandela Day

The national office commemorated Mandela Day on 18 July 2011 by cleaning and upgrading the Matseke Primary School in Atteridgeville, Pretoria. The Department of Basic Education in Gauteng was approached to assist in identifying a school that would benefit from this initiative. The school served as a voting station.

Commissioners' Farewell Dinner

The terms of office for four of the commissioners ended on 19 October 2011. Three commissioners had served the Electoral Commission for 14 years and one had served his first term of seven years.

The Chief Electoral Officer hosted an official farewell dinner on 15 October for 1 200 guests in honour of the retiring Chairperson, Dr Brigalia Bam, Deputy Chairperson, Thoko Mpumlwana, and Commissioner Fanie van der Merwe, as well as Commissioner Terry Tselane, who had served his first term.

Guests included the President, Cabinet ministers, judges, ambassadors, high commissioners, chairpersons, commissioners and chief executives of other Chapter 9 institutions, directors-general, leaders of political parties, members of Parliament and chief executive officers of institutions and companies. The dinner was hosted at the Sandton Convention Centre.

Signing of the Electoral Code of Conduct by contesting parties and ballot paper position draw

On 13 April 2011, the Electoral Commission hosted political parties contesting the 2011 municipal elections at a ceremony to commemorate the signing of the Code of Conduct and to host the draw to determine the first position on the ballot paper. The ceremony took place in Midrand, Gauteng. The Electoral Code of Conduct promotes conditions that are conducive to free and fair elections, including tolerance of democratic political activity, free political campaigning and open public debate.

Launch of the Results Operation Centre

The national Results Operation Centre (ROC) was officially opened on 11 May 2011 in Pretoria, Gauteng. More than 300 guests attended the event, including representatives of the print and electronic media. The ROC is the nucleus for all operations on Election Day and ensures the credibility and transparency of the results process. For the week leading up to voting, Commission officials, political parties and media are housed in this centre.

The Commission also hosted election observers, parliamentarians, the diplomatic corps, NGOs and members of the business community at the ROC.

Final Results Announcement Ceremony of the 2011 municipal elections

The Electoral Commission released the final results of the 2011 municipal elections on 21 May 2011, at the national ROC in Pretoria, with a 57.6% voter turnout, the highest since South Africa voted in municipal elections in 2000. A total of 121 parties participated in these elections.

This event was attended by more than 1 000 guests, representing contesting political parties, the media, the international community and a broad spectrum of South Africans.

The announcement of the results was a live broadcast that enabled South Africans to follow all the proceedings and the official release of the 2011 municipal elections results.

Campaigns (advertising and promotions)

The Electoral Commission concluded the voting phase of municipal elections by utilising a variety of communication platforms. Voting material was produced, which informed voters and created awareness.

A total of 2 111 communication interventions were recorded, which encompassed all media platforms. The Commission utilised SABC television, radio and online channels, eTV, community television, commercial radio and community radio. Campaign messages were also carried on billboards, train station

platform boards, wall murals, screens in post offices countrywide, taxi television and digital media.

Statistics are as follows:

- All media booked was timeously executed.
- Television audience reach was across all platforms (SABC, eTV, DSTV, Cape Town community TV and Soweto TV).
- Television audiences were also reached through storyline integration in major drama series flighted by the public broadcaster, SABC.
- With the budget allocation and the need to use all radio platforms (national, regional and 119 community stations), radio's audience reach was 23%.
- In excess of 600 fixed billboards were secured countrywide, covering major commuting areas.
- Internet advertising generated in excess of 1.8 million impressions.
- Rank TV advertising reached in excess of 3.9 million daily commuters.
- On average 206 937 Post Office users were reached via the 102 Post Office television advertising screens.
- A total of 24 Alive Advertising sites were utilised, reaching a daily traffic count in excess of 1.5 million.
- Over 2.7 million daily commuters were reached via the Train Station Platform Network.
- A total of 234 wall murals were secured countrywide throughout the entire campaign period.
- Nine mobile trailers were used in provinces with fewer external platforms like billboards and wall murals.
- A thousand taxis were used, covering seven provinces.

Public call centre

The call centre for the 2011 municipal elections was officially opened on 3 January 2011 and closed on 21 May 2011. The facility consisted of a number of agents and an interactive, automated and computerised voice-response facility.

The public had an opportunity to call a toll-free (landline) number where any questions they might have with respect to voter registration, voter education and voting processes were answered. This enabled them to participate meaningfully in the elections.

Call centre agents provided information to South Africans in their preferred language. They catered for all 11 official languages.

Business hours were from 08:00 to 17:00 each day, excluding Saturdays, Sundays and public holidays with the following exceptions:

- Two weeks prior to and including the voter registration weekends
- Four weeks prior to and including Election Day: from 07:00 to 21:00 each day, including Saturdays, Sundays and public holidays.

Call volumes experienced at the call centre during these elections were not as high as had been experienced in previous elections, and as a result the Commission will review the capacity of the call centre for future elections.

Digital media campaign

The Electoral Commission launched its first digital media campaign during the 2011 municipal elections. A growing number of young South Africans are technologically advanced and this inaugural campaign incorporated social platforms like Facebook, Twitter and a mobisite. Specific information on voting was uploaded to facilitate voter social engagement. This real-time engagement was a crucial element to ensure that the electorate had sufficient information to exercise their right to vote.

Microsite: This contained all the "Love Your South Africa" campaign material and was accessed through the Commission's website. On this site, South Africans would download campaign content, campaign launch video clips, the Commission youth ambassadors' statements, campaign artwork, billboard creative and Twitter feeds.

Mobisite: It became apparent during the preparations for the 2011 municipal elections that the web has gone mobile and the Commission did not want to miss the opportunity to engage, specifically the country's young voters, but also broadly reaching all South Africans. A website customised for mobile devices was developed to ensure 24/7 availability of information about the Electoral Commission. Voting-related content was also provided on the Commission's mobisite. The mobisite was linked to the Commission's Twitter account.

Facebook: Being the largest and most influential of the online social networks, Facebook formed part of the platforms utilised to engage voters wherever they were in South Africa. The Commission's Facebook page was linked to its Twitter page and also sent out event reminders. The electorate was able to receive information in real-time on issues they were unsure about.

Twitter: This platform also assisted in facilitating the national conversation and encouraged South Africans to vote. The Commission created a Twitter profile for the "Love Your South Africa" campaign. The content that was uploaded included hash tags for youth ambassadors. Messages were linked to the Commission's other social platforms.

MXit: This was primarily utilised to reach first-time voters and the broad South African electorate. Awareness of election dates, times and other critical information was communicated to young voters in particular. The MXit content also carried components of the "Love Your South Africa" campaign.

Internal communication

Internal communication forms an integral part of the Commission's responsibilities. Various platforms for engaging staff are used, such as an interactive staff forum, *Siyathetha*, monthly payslip messages and an electronic newsletter, *Vota News*. The Commission also celebrates commemorative public holidays with functions for staff.

The electronic newsletter is used to inform staff about national, provincial and local news, as well as major organisational campaigns. The newsletter serves as a vehicle to encourage staff members to communicate with each other. It also highlights flagship programmes of the institution and informs staff of developments at national, provincial and local level. Nine editions of this publication were produced.

Heritage Month celebrations

The Commission's national office hosted a successful Heritage Day commemoration in line with the national theme. It reflected on its responsibility within the context of electoral democracy and was able to appreciate its role in enhancing the heritage of South Africa's young democracy.

Publications

The institution publishes reports on its constitutional and legislative mandate on a regular and ad hoc basis. To this end, 1 500 copies of the 2011 Annual Report were printed and distributed.

In addition to the regular reports that were published, 4 000 copies of a commemorative book on the history of the Commission, entitled *South Africa Votes!*, were printed and distributed.

The Commission also produced the *Atlas of Results* on the 2009 national and provincial elections. This unique publication was presented to the President at a function in Parliament.

SUMMARY OF PROGRAMME PERFORMANCE

Programme 4				
Performance Indicator	**Baseline (Actual Output) 2010/11**	**Actual Performance against Target**		**Reason for Variance**
		Target (2011/12)	**Actual (2011/12)**	
4.1.1 The number of voter education events	n/a (performance indicator redefined)	3 314	89 321	National Treasury provided additional funding which enabled the IEC to employ people at local level, which was not part of early planning. This contributed to the IEC being able to exceed its initial planning target. (The nature of events further vary widely, for example, in KwaZulu-Natal, meetings were small, while in Mpumalanga, large events were held.)
4.1.2 The number of projects with strategic partnerships	50	50	157	The success of the IEC's planned partnerships led to spontaneous requests from other organisations to be included in its activities and thus the increase.

Programme 4				
Performance Indicator	**Baseline (Actual Output) 2010/11**	**Actual Performance against Target**		**Reason for Variance**
		Target (2011/12)	**Actual (2011/12)**	
4.1.3 Quantity of educational materials disseminated	-	2 000 000	1 807 848	The use of electronic and social media during the course of the election programme became more dominant and negated the need for printed material.
4.1.4 Number of spoilt ballots	n/a in baseline year	Not more than 1.6% of cast ballots	1.89%	The number of spoilt ballots for previous municipal elections stood at 2.36% (2000) and 2.27% (2006) respectively. Voter education efforts brought it down to 1.89%. Political matters, such as service delivery issues, also led to deliberate spoiling of ballots. This is thus not a matter only in the hands of the IEC.
4.2.1 Number of research projects conducted	2	2	3	The two planned projects were executed. The additional funding from National Treasury for civic education led the IEC to conduct an impact assessment study in that area, which was commissioned in the prior year, but concluded during the reporting period.
4.2.2 Number of archived and preserved Commission records	85 342	65 000 records archived (hard copy and electronic)	64 163	The 1.3% variance falls within the limits of normal operational processes.
4.2.3 Number of publications acquired	2 662	2 000 publications acquired (hard copy and electronic)	2 084	The 3.2% variance falls within the limits of normal operational processes.
4.2.4 Design and implementation of Knowledge Management Strategy and System	Audit of knowledge types Acquisition Policy developed	Phase One Knowledge Management Strategy implementation	Knowledge Management draft policy submitted to the Policy Committee.	The completion of this project has been deferred to 31 March 2013. The IEC is behind schedule on this programme. This is mainly as a result of staff shortages and thus limited specialised knowledge. With group participation at senior levels of the organisation to develop the policy, the IEC has already ensured broader ownership and participation (and in effect training), which will accelerate later implementation.
4.2.5 Knowledge Management processes mapped against practice	Deferred	Knowledge Management processes developed	Knowledge Management draft policy submitted to the Policy Committee.	See 4.2.4

Programme 4				
Performance Indicator	**Baseline (Actual Output) 2010/11**	**Actual Performance against Target**		**Reason for Variance**
		Target (2011/12)	**Actual (2011/12)**	
4.2.6 Intellectual property (IP) policy developed	n/a in baseline year	Policy developed	Knowledge Management draft policy submitted to the Policy Committee.	See 4.2.4
4.3.1 Number of people reached	New target	5 000 000	5 525 650	The IEC exceeded its target by 10.5%. This is principally the function of increased enthusiasm generated by parties among the media.
4.3.2 Number of planned media activities	36 media releases 193 interviews 12 media analysis reports	10 media releases 15 interviews 12 media analysis reports	18 media releases 62 interviews 12 media analysis reports	The increase in the number of by-elections and issues in the municipal elections led to the IEC exceeding its targets in these areas.
4.3.3 Number of publications	7 *Vota News* issues 2 000 copies of Annual Report	12 *Vota News* issues 2 000 copies of Annual Reports	9 *Vota News* issues 1 500 copies of Annual Reports	Election-related activities took precedence. After determining its target, Parliament announced that the number of required copies of the Annual Report was less than in the past.
4.3.4 Number of events	3	0	4	The later than expected date of the election meant that events planned for the previous financial year took place in 2011/12.
4.3.5 Number of advertising campaigns	500 billboards 6 million flyers 2 TV ads 9 print ads 2 ads on all radio stations	3 mini campaigns utilising all SABC radio stations 50 ads placed on community radio and print	One elections campaign utilising all SABC television channels and radio stations; all eTV channels; 13 commercial radio stations; 600+fixed billboards. One mini campaign following the 2011 LGE utilising all SABC channels	The later than expected date of the election meant that the major election campaign planned for the previous financial year took place in 2011/12.

PROGRAMME 5: CORPORATE SERVICES

This programme comprises human resources management, information and communication technology, financial management, facilities management, and legal services (including provincial offices).

PURPOSE: Corporate Services provides enabling business processes and systems in respect of financial management, information and communication technology, human resources management, facilities management and legal services to efficiently and effectively support the core business of the Electoral Commission. The training institute is also run under this programme. The functions of this programme are supported by 128 permanent personnel.

STRATEGIC OBJECTIVES

Strategic Objective 5.1: Develop human resources (HR) strategy and plan

Objective statement: Develop, implement and maintain an integrated and responsive HR strategy and plan, which is aligned to organisational objectives and workplace legislation within 2011/12

Strategic Objective 5.2: Provide adequate and competent human resources

Objective statement: Recruit, retain and remunerate staff in line with and within the timeframes stipulated in the developed recruitment and payment policy and plans of the various categories of staff

Strategic Objective 5.3: Develop, implement and maintain the human resources training and skills development plan

Objective statement: Train staff in line with and within the timeframes and targets stipulated in the training and development plans and/or policies for the various categories of staff

Strategic Objective 5.4: Provide integrated support services

Objective statement: Develop, implement and maintain an integrated support services framework to guide organisational support, security and fleet management services by 31 March 2012

Strategic Objective 5.5: Provide timely funding of projects aligned with strategy

Objective statement: Annually compile a budget and project charter framework, which is aligned with business requirements and organisational strategy

Strategic Objective 5.6: Comply with financial legislation, policies and procedures as evidenced by the achievement of an unqualified audit report for the 2011/12 financial year

Objective statement: Full compliance with the Public Finance Management Act (PFMA), Treasury Regulations, Instruction Notes and Generally Recognised Accounting Practice (GRAP) as well as internal policies and procedures

Strategic Objective 5.7: Develop, implement and maintain a supply chain management framework

Objective statement: Develop, implement and maintain an integrated and compliant supply chain management framework to guide organisational procurement and asset management requirements by 31 March 2012

Strategic Objective 5.8: Develop an information and communication technology (ICT) strategy and plan

Objective statement: To develop a five year ICT infrastructure strategy and plan by 31 March 2012 and review annually thereafter

Strategic Objective 5.9: Maintain a stable ICT infrastructure

Objective statement: To achieve 99% uptime on network and application system availability during the period under review

PERFORMANCE INDICATORS AND TARGETS

Human Resources Management

The Commission currently has an establishment of 871 permanent posts. In terms of the performance targets set with regard to reduction of staff turnover and vacancy rate, 813 positions were filled at the end of March 2012, resulting in 58 vacancies as illustrated in Table 16. The Commission appointed 24 new employees and promoted nine employees. There were 23 terminations as a result of resignation, dismissal or death during the reporting period.

Table 16: Posts in the Commission

Component	Rank	Approved posts	Posts filled	Vacant posts
Office of the CEO	CEO	1	1	0
Commission Services	Manager	2	2	0
	Senior Administrative Officer	1	1	0
	Manager	1	1	0
	Deputy Manager	1	0	1
	Senior Administrative Officer	2	2	0
Deputy CEO Corporate Services	Deputy CEO	1	1	0
	Senior Administrative Officer	1	1	0
Chief Information Officer	Senior Manager	1	1	0
	Manager	2	2	0
	Deputy Manager	8	2	6
	Assistant Manager	10	4	6
	Senior Administrative Officer	4	0	4
	Administrative Officer	6	6	0
	Assistant Administrative Officer	2	1	1
Chief Financial Officer	Senior Manager	2	0	2
	Manager	3	3	0
	Deputy Manager	4	3	1
	Assistant Manager	3	3	0
	Senior Administrative Officer	7	6	1
	Administrative Officer	20	18	2
	Assistant Administrative Officer	3	1	2
Human Resources, Training, Skills Development and Support	Senior Manager	1	1	0
	Manager	3	3	0
	Deputy Manager	7	7	0
	Assistant Manager	4	2	2
	Senior Administrative Officer	4	4	0
	Administrative Officer	7	6	1
	Assistant Administrative Officer	5	5	0
	Senior Administrative Clerk	2	2	0
	Administrative Clerk	7	5	2
	Messenger/Cleaner	10	10	0
Legal Services	Manager	1	1	0
	Deputy Manager	1	1	0
	Assistant Administrative Officer	1	1	0
Deputy CEO Electoral Matters	Deputy CEO	1	0	1
	Senior Administrative Officer	1	0	1
Logistics and Infrastructure	Senior Manager	1	1	0
	Manager	2	2	0
	Deputy Manager	2	2	0
	Assistant Manager	2	2	0
	Senior Administrative Officer	2	2	0
	Assistant Administrative Officer	2	1	1

Component	Rank	Approved posts	Posts filled	Vacant posts
Electoral Matters	Senior Manager	1	1	0
	Manager	2	2	0
	Deputy Manager	1	1	0
	Assistant Manager	2	2	0
	Senior Administrative Officer	2	1	1
	Assistant Administrative Officer	2	2	0
Deputy CEO Outreach	Deputy CEO	1	0	1
	Senior Administrative Officer	1	1	0
Communication	Manager	1	1	0
	Deputy Manager	2	1	1
	Assistant Manager	1	0	1
	Senior Administrative Officer	1	1	0
	Administrative Officer	1	1	0
	Assistant Administrative Officer	1	1	0
Civic Education, Research and Knowledge Management	Senior Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	1	1	0
	Assistant Manager	1	1	0
	Senior Administrative Officer	1	0	1
	Assistant Administrative Officer	1	1	0
Provincial electoral staff: Limpopo	Senior Manager	1	1	0
Provincial	Manager	1	1	0
	Deputy Manager	1	1	0
	Assistant Manager	4	4	0
	Senior Administrative Officer	10	10	0
	Administrative Officer	1	1	0
	Assistant Administrative Officer	1	1	0
	Messenger/Cleaner	1	1	0
Local	Office Supervisor	5	5	0
	Electoral Project Coordinator	44	44	0
Provincial electoral staff: Free State	Senior Manager	1	1	0
Provincial	Manager	1	1	0
	Deputy Manager	1	1	0
	Assistant Manager	4	4	0
	Senior Administrative Officer	10	9	1
	Administrative Officer	1	1	0
	Assistant Administrative Officer	1	1	0
	Messenger/Cleaner	1	1	0
Local	Office Supervisor	2	2	0
	Electoral Project Coordinator	31	30	1

Component	Rank	Approved posts	Posts filled	Vacant posts
Provincial electoral staff: Mpumalanga Provincial	Senior Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	1	1	0
	Assistant Manager	4	4	0
	Senior Administrative Officer	8	8	0
	Administrative Officer	1	0	1
	Assistant Administrative Officer	1	1	0
	Messenger/Cleaner	1	1	0
Local	Office Supervisor	2	2	0
	Electoral Project Coordinator	33	32	1
Provincial electoral staff: North West Provincial	Senior Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	1	1	0
	Assistant Manager	4	3	1
	Senior Administrative Officer	9	8	1
	Administrative Officer	1	1	0
	Assistant Administrative Officer	1	1	0
	Messenger/Cleaner	1	1	0
Local	Office Supervisor	0	0	0
	Electoral Project Coordinator	36	35	1
	Cleaner	18	18	0
Provincial electoral staff: Northern Cape Provincial	Senior Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	1	1	0
	Assistant Manager	4	4	0
	Senior Administrative Officer	10	9	1
	Administrative Officer	1	1	0
	Assistant Administrative Officer	1	1	0
	Messenger/Cleaner	1	1	0
Local	Office Supervisor	0	0	0
	Electoral Project Coordinator	35	35	0
Provincial electoral staff: KwaZulu-Natal Provincial	Senior Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	2	2	0
	Assistant Manager	6	6	0
	Senior Administrative Officer	15	15	0
	Administrative Officer	2	2	0
	Assistant Administrative Officer	2	2	0
	Messenger/Cleaner	1	1	0
Local	Office Supervisor	5	5	0
	Electoral Project Coordinator	89	87	2

Component	Rank	Approved posts	Posts filled	Vacant posts
Provincial electoral staff: Eastern Cape Provincial	Senior Manager	1	0	1
	Manager	1	1	0
	Deputy Manager	3	3	0
	Assistant Manager	5	5	0
	Senior Administrative Officer	11	11	0
	Administrative Officer	3	3	0
	Assistant Administrative Officer	2	2	0
	Messenger/Cleaner	1	1	0
Local	Office Supervisor	14	14	0
	Electoral Project Coordinator	70	70	0
	Cleaner	32	31	1
Provincial electoral staff: Western Cape Provincial	Senior Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	2	2	0
	Assistant Manager	5	5	0
	Senior Administrative Officer	10	9	1
	Administrative Officer	1	1	0
	Assistant Administrative Officer	1	1	0
	Messenger/Cleaner	1	1	0
Local	Office Supervisor	1	1	0
	Electoral Project Coordinator	34	30	4
Provincial electoral staff: Gauteng Provincial	Senior Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	2	2	0
	Assistant Manager	6	6	0
	Senior Administrative Officer	7	6	1
	Administrative Officer	2	2	0
	Assistant Administrative Officer	1	1	0
	Senior Administrative Clerk	1	1	0
	Messenger/Cleaner	1	1	0
Local	Office Supervisor	4	4	0
	Electoral Project Coordinator	37	36	1
	Cleaner	5	5	0
Total		**871**	**813**	**58**

Employment equity

The Commission committed itself to compliance with the Employment Equity Act. In this regard, vacancies are filled as far as possible in accordance with the numerical targets. The Employment Equity Committee met twice during this period, and the required Employment Equity (EE) Report was submitted to the Department of Labour on 1 October 2011. While endeavouring to meet the numerical goals as indicated in Table 17, the Commission is simultaneously engaged in a process of addressing the identified barriers (such as policy maintenance and alignment) in meeting the non-numerical goals.

IEC SOUTH AFRICA

Table 17: Representivity in terms of employment equity

Level	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
CEO/Deputy CEO/ Senior Manager	7	2	0	2	3	0	1	0
Manager	7	4	2	3	5	2	0	4
Deputy Manager	14	0	2	3	6	0	1	5
Assistant Manager	23	4	2	1	14	3	1	7
Senior Administrative Officer	36	9	0	2	43	4	2	9
Administrative Officer	26	2	2	0	28	4	1	10
Assistant Administrative Officer	172	22	2	5	177	33	2	12
Senior Administrative Clerk/ Administrative Clerk	2	0	0	0	6	1	0	0
Messenger/ Housekeeper/ Driver	9	0	0	0	8	0	0	0
Cleaner	0	0	0	0	55	1	0	0
Total	**296**	**43**	**10**	**16**	**345**	**48**	**8**	**47**

Table 18: Comparison of employment equity goals

Year	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Numerical goals (until 30 November 2012)	**348**	**52**	**17**	**60**	**305**	**53**	**10**	**47**
Financial year 2009/10	288	41	9	18	264	41	8	50
Financial year 2010/11	314	42	13	20	270	45	9	48
Financial year 2011/12	296	43	10	16	345	48	8	47

Table 19: Staff movement

Level	Recruited	Promoted	Termination	Foreign employees
CEO/Deputy CEO/Senior Manager	0	1	4	0
Manager	1	1	0	0
Deputy Manager	0	0	1	0
Assistant Manager	1	0	0	0
Senior Administrative Officer	3	1	5	0
Administrative Officer	5	1	1	0
Assistant Administrative Officer	13	4	11	0
Senior/Administrative Clerk	0	1	1	0
Messenger/Housekeeper/ Driver	1	0	0	0
Cleaners	0	0	0	0
Total	**24**	**9**	**23**	**0**

The staff turnover for the Commission was 2.6% during the financial year, which remains below the national benchmark. Most of the terminations were from the provincial and municipal level offices due to better job and salary opportunities. The trend due to terminations is illustrated in Table 20.

Table 20: Terminations

Year	Number of terminations	Percentage
2009/10	21	2.9%
2010/11	17	2.0%
2011/12	23	2.6%

Performance management

The Commission managed to set goals and enter into performance agreements with most of its employees by the end of April 2011. The performance moderation was held for the 2010/11 performance assessments. The main purpose of this session is to ensure compliance with the policy and standard application thereof across the organisation.

Expenditure on remuneration

The Commission processed payment continuously throughout the year within the agreed upon time period, through electronic transfer of funds. During the reporting period, the Commission implemented inflationary increases for its non-Senior Management Service employees in May 2011 and for its Senior Management Service employees in January 2012.

A summary of expenditure on remuneration for commissioners and senior management during the financial year under review is illustrated in Table 21.

Table 21: Personnel expenditure (salaries)

Category	Amount
Commissioners	R5 639 057
Senior management	R17 524 627

Wellness support, injury, illness, death

The Commission provided professional support and assisted employees with their wellbeing and safety through its wellness programmes, as indicated in Table 22.

Table 22: Support provided

Year	Number of employees
2009/10	18
2010/11	18
2011/12	7

A number of awareness sessions on various wellness topics were conducted during the reporting period, such as the Cancer Awareness Day, World AIDS Day, commemorations and personal financial management sessions. The average number of days' sick leave taken and the inherent costs are reflected in Table 23.

Table 23: Sick leave

Total number of days' sick leave taken	4 082
Estimated cost of sick leave taken	R4 635 784
Number of employees who took more than 15 consecutive days	88

In comparison with the previous two financial years, the trend of absenteeism as a result of sick leave is illustrated in Table 24.

Table 24: Comparison of sick leave absenteeism

Year	Total number of sick leave days taken	Estimated cost	Number of employees who took 15 consecutive days
2009/10	2 723	R2 993 025	17
2010/11	1 770	R1 844 235	24
2011/12	4 082	R4 635 784	88

Two incidents of injury while on duty or in the working environment (one in the Centurion national office and one in a KwaZulu-Natal local office) were reported to the Compensation Commissioner in terms of the Compensation for Injuries on Duty Act.

Table 25: Employee deaths

Province	Name	Date of death
Centurion (national office)	Zolisa Mafuya	5 April 2011
Mpumalanga	Reginald Benedict Nhlapo	6 May 2011
Centurion (national office)	Siphiwe Mnisi	6 June 2011
Eastern Cape	Nolitha Motima	6 September 2011
Centurion (national office)	Nonkoliso Mbuku	31 October 2011
Free State	Thabiso Eric Mokoena	9 December 2011
Centurion (national office)	Thabakgolo Jack Modise	16 March 2012

Collective agreements/labour relations/disciplinary action

No new collective agreements were entered into, besides the one entered into with the National Education and Allied Workers Union (NEHAWU) in 2007.

Formal disciplinary actions were taken against four employees for reasons of contravening financial directives, prejudicing the administration and/or misconduct. During the period under review, four cases were finalised, while seven formal cases are still pending finalisation.

During the year under review, four cases were referred to the Commission for Conciliation, Mediation and Arbitration (CCMA) by current and former employees of the Electoral Commission for various reasons. In two cases the applications were dismissed, while one of the remaining two cases was settled through monetary award. The last case was found in favour of the Commission. The nature of disputes lodged with the CCMA during the reporting period is indicated in Table 26.

Table 26: Disputes

Nature of dispute	Number of employees
Section 191(5)(a)(iii) Reasons for dismissal not known	2
Dismissal related to misconduct – Section 191(1)	1
Unfair conduct promotion/demotion/ probation/training/benefits – Section 186(2)(a)	1
Total	**4**

The trend of matters referred to the CCMA by employees for reasons of financial misconduct, misconduct and/or fraud against the Electoral Commission over the last three comparative financial years is illustrated in Table 27.

Table 27: CCMA referrals

	Referred
2009/10	11
2010/11	11
2011/12	4

Skills development

In order to improve performance of its workforce, the Commission conducted training needs analyses based on the individual development plans. It then prioritised the training gaps. A number of training sessions were conducted during the period under review. A total of 305 (37.33%) staff members attended various short courses and in-house training sessions.

Five interns were appointed in various provincial offices and were exposed to working areas in line with their field of study.

To comply with the legislative requirements of the Skills Development Levies Act and the Skills Development Act, the Commission obtained a Skills Development Levy (SDL) number (L440732693) and affiliated with the Services SETA. The development of a qualification in Electoral Management was referred to the Quality Council for Trades and Occupations (QCTO) and will be dealt with in the next financial year as the QCTO was only established recently.

Bursaries

The Bursary Committee adjudicated all bursary applications received for the 2012 academic year. A total of 153 applications were received by the due date and all of those were approved. A hundred applicants registered, 16 withdrew and the remaining 37 deferred registration to the second semester of 2012.

Policies

In a quest to strengthen skills development and training systems and procedures, the Commission reviewed the bursary and short course policies and developed the following policies and procedures:

- Training and development for permanent staff
- Training and development for electoral staff
- Induction and orientation policy
- Internship and learnership policy

Material Development and Electoral Staff Training

Electoral staff training

In line with the Commission's mandate and vision, the focus of training for the 2011 municipal elections was to develop a structured approach by using modular training that would facilitate the effective delivery of learning to all electoral staff. A total of 43 286 presiding and deputy presiding officers were trained and assessed by internal Commission-lead and provincial trainers by mid-April for the 2011 municipal elections. The remainder of the voting station staff (154 940) were trained in time for the elections.

In order to improve the performance of presiding officers for future elections, a post-elections assessment tool was developed and piloted by all provinces. The project will be finalised in the next financial year. In the next election, the assessments will be conducted immediately after the elections.

By-election training and training material

The Training Department developed the following material with the aim of improving the performance of by-election staff during voting and counting:

- By-Election Training Guide
- By-Election Presiding Officer Diary
- By-Election Coordinator Diary

The material was completed in November 2011, printed in January 2012 and distributed to all provinces.

The following materials were also developed to guide the trainers and ensure standardisation:

- Lesson plan
- One-day by-election electoral staff training programme
- PowerPoint presentation
- Assessment questionnaire

Support Services

A Support Services Strategic Plan was developed, finalised and approved.

To enable employees to perform their daily duties in a secure environment, appropriate office space is secured with active lease agreements in place, which are renewed as required during the period of occupation. Office space planning, the procurement of furniture and planning for the Mpumalanga provincial office was initiated during the period under review.

An election Results Operation Centre (ROC) was established for the management of election results. The Occupational Health and Safety Act (Act No. 85 of 1993) was adhered to and no contraventions were reported.

Efficient transport and travel services were rendered in compliance with organisational requirements. Twenty-two pool vehicles were replaced due to high mileage. A total of 98 additional vehicles were procured due to operational requirements, mostly for electoral project coordinators. A total of 43 incidents involving Electoral Commission vehicles were recorded.

The provision of guarding services in the Electoral Commission to ensure the continuous safeguarding and protection of assets and employees was in place with active contracts in place. Incidents of security breaches from some Electoral Commission premises were reported. These were mainly burglaries and theft of assets. The total value of the lost assets was estimated at R41 685.

Close liaison was maintained with the State Security cluster for the purposes of election security and security at the ROC.

Financial Management

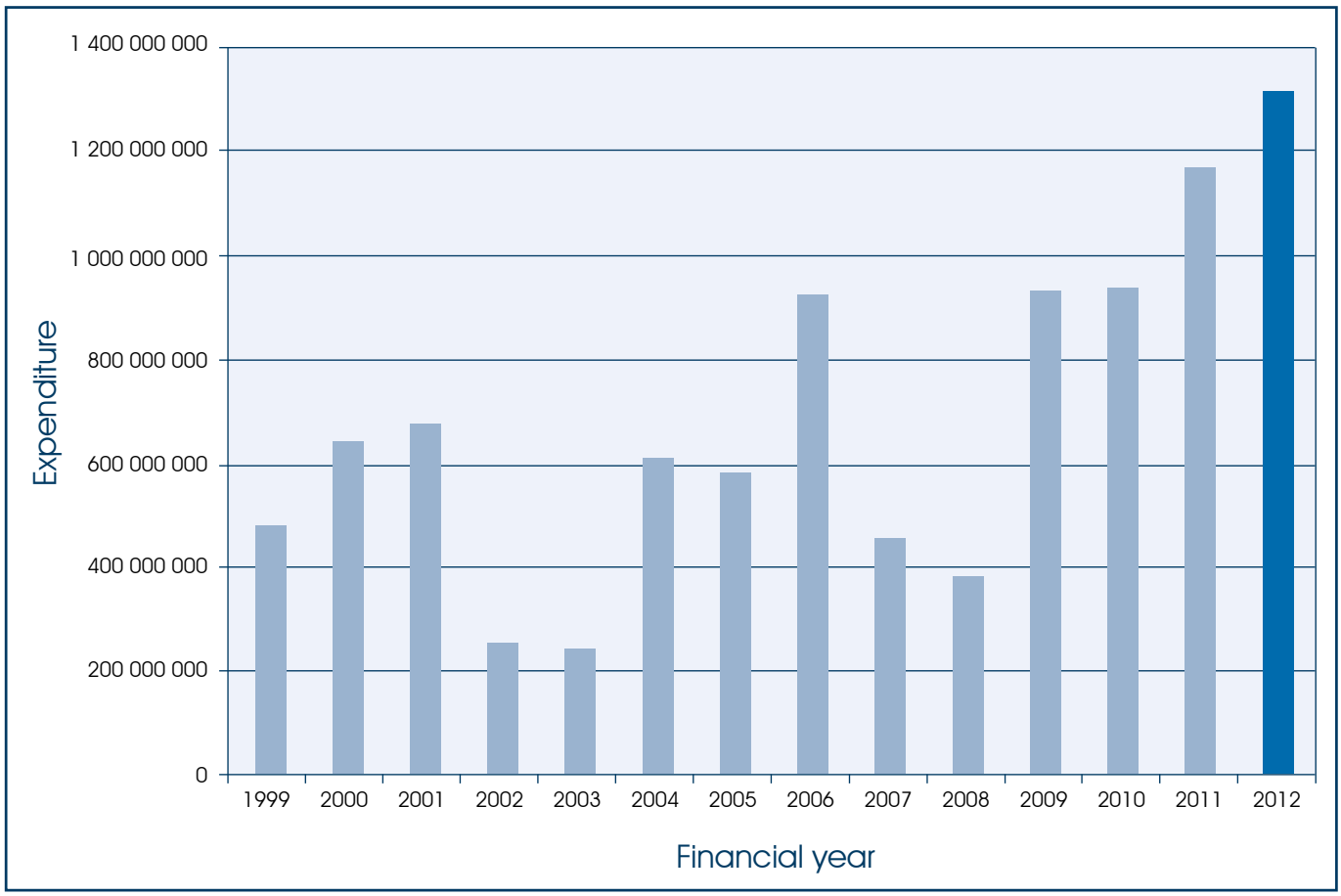
Overview of funds received and spent

The Commission received R840 million for the year under review by way of a Parliamentary grant. Sundry income was generated, consisting largely of interest earned and sponsorship revenue, bringing the Commission's total income to R855 million. All funds were accounted for and are disclosed in the annual financial statements.

Last year, when it became apparent that the 2011 municipal elections would not fall in the financial year ending 31 March 2011, but would take place during this financial year, a reprioritisation of expenditure was completed. From this exercise, an amount of R470 million was identified to be carried forward to the 2011/12 financial year to cover election-specific expenditure in this year. Thus, budgeted expenditure for this year was R1.3 billion. A proportion of 99.04% of the budget was expended in the year.

Expenditure is mainly influenced by the elections cycle, peaking during preparations for an election and then decreasing to fund regular activities in non-election cycles. Expenditure has grown significantly from R458 million in 2006/07 to R1.3 billion in 2011/12.

Key elements of expenditure for the 2011/12 year include the following:



- R412 million on employee costs. This represents a decrease of 2% over the cost in 2010/11. The decrease was, in the main, due to the relatively shorter period of employment of expansion staff, given that the elections were early in the financial year.
- R828 million on administrative expenditure, representing an increase of 28% over 2010/11. The increase can be ascribed to the R205 million spent on subsistence and travel costs for the 196 000 temporary staff employed for the elections in May 2011.
- R57 million on depreciation, amortisation and impairment. The increase of 10% over the prior year is a reflection of the higher asset base of the Commission.

Property, plant and equipment to the value of R60 million was acquired during the year under review. These funds were accounted for as prescribed in accordance with the South African Statements of Generally Accepted Accounting Practice (GAAP).

Financial administration

Work continues to enhance controls and processes, and in 2011/12, a comprehensive policy and procedure review across the finance sphere was begun, and is nearing completion. As part of this process, the revised Preferential Procurement Policy Framework Act (PPPFA) regulations were implemented successfully on 7 December 2011. The relevant enhancements to the eProcurement system to deal with these changes were also implemented on this date. A number of quick reference guides to assist staff in the performance of the finance function were also completed.

Approximately 198 000 electoral staff members were paid for the election in the first quarter of the financial year. In terms of the approved payment plan, these staff members were paid after the events by means of EFT, after the appropriate statutory deductions had been made. Cheques were issued as a last resort to staff members who did not have bank accounts.

During the year under review, the following was also achieved:

- A general finance workshop and a budget-specific workshop were held for provincial staff and other interested parties. Most provinces were also visited for a travel claim-specific workshop.
- The Commission now achieves a monthly close and prepares monthly financial statements.
- Exception reports are produced monthly and have become an important follow-up tool and mechanism to improve the monthly close.
- Monthly management accounts have assisted in monitoring expenditure more closely and managing cash flow.
- The financial year was closed in eight working days, with a first draft set of financials available on the ninth working day.
- The Treasury Instruction Note on enhancing compliance was successfully implemented.
- Posters to assist staff at a local level on procurement and travel claims were designed and distributed.
- Contract administration and compliance processes relating to contract administration have been enhanced, reducing the risk to the Commission.

Information and Communication Technology

ICT continues to play a critical role in supporting the various processes of the Electoral Commission. At the core of this ICT capability lie the following continuous support services, which provide the foundation for all other ICT activities:

- Stable applications to support and enable all business processes.
- Closely integrated systems aimed at ensuring a seamless flow of information across the different systems.
- Stable and secure ICT infrastructure, a stable network at both wide area network (WAN) and local area network (LAN) levels and the data centre.
- Sufficient network and background server capacity, with the required capability of supporting increased election activity and network traffic.
- Management of risks, disaster recovery and business continuity processes, ensuring that the Commission can take advantage and fully utilise all available and relevant technologies in the ICT market.

The success of the organisation's ICT capabilities has been recognised through a number of awards received throughout the year:

- The CPSI Award for the implementation of the online eProcurement system
- A PRISA PRISM gold award for the *Atlas of Results* in the Publications category
- An AAPSIA in the category Innovative Service Delivery Improvements, first prize in the UNPSA in the category Preventing and Combating Corruption in the Public Service and first prize from the AAPAM in the category Innovative Management for the

implementation of the results slip scanning module on the municipal elections results system in 2009, which enables the checking of captured results against an image of the original document.

Municipal elections 2011

ICT played a critical role in the successful delivery of the 2011 municipal elections. In preparation for Election Day, it provided support for national training on the various electoral systems, such as Issue Tracker and the LGE Results System, and facilitated a countrywide results capturing and scanning dry run, which required participation from all municipalities.

As part of the elections process, independent auditors were also trained on the module requiring the verification of captured results against the original results slip. IT Operations played an instrumental role in the setup of the 10 results operations centres across the country, including telecommunications, networks and IT infrastructure.

IT support teams were available to provide round-the-clock support on Election Day and in the subsequent results capturing process. In addition to the municipal election results system, a number of systems were used in support of various elections activities, such as the Voting Station Monitoring System and the Issue Tracker. The public website was used as the main medium for the dissemination of election results to the public. Election results information was overlaid on maps provided by the Geographic Information Systems (GIS) Department for display purposes at the various results operations centres.

The successful provision of ICT services was evident in the fact that the systems had 100% uptime during the results process, and all results could be captured and scanned within 56 hours of the close of voting stations.

Business systems

In order to effectively support business processes at the Commission, a number of system maintenance tasks are executed on a regular basis to ensure the smooth delivery of services in the environment.

General maintenance

These activities include, but are not limited to the following:

- By-elections support and preparation: Prior to a by-election, a number of activities are undertaken by the system maintenance team. These include supporting voter registration activities, where applicable, culminating in the generation and distribution of the certified voters' roll for the by-election. In order to facilitate special voting for by-elections, the special votes application is configured with the applicable voting districts participating in the upcoming by-election. Voters are able to apply for special voting, which allows a voter to vote one or two days prior to the by-election for various reasons, such as incapacity or pregnancy. Voters can elect to vote at the voting station or cast a vote at their home in the presence of the presiding officer. System preparations prior to the by-election involved the testing of scanning software, assisting with the download of the electronic voters' roll for voter participation and standby support for capturing results during the by-election. Payment files were generated for a number of electoral processes, such as voting station leasing, electoral staff payments and candidate refunds/reimbursements.
- Ad hoc data requests: Requests from outside parties are frequently made to the relevant line function departments for information pertaining to various election statistics. Once approved, this information is investigated, interpreted and consolidated by the appropriate IT team, depending on the nature of the request.
- System investigations and impact analyses regarding potential changes or enhancements required by line function departments.
- Responding to audit requests, queries and findings.
- Updating of content, communications and placement of highlighted areas on the public website, based on electoral cycle activities or other areas of interest pertaining to the Electoral Commission.

GIS activities

These activities include, but are not limited to the following:

- Maintenance of the voting district and station framework.
- Continuous sourcing, quality assurance and incorporation of new spatial datasets for use in map production.
- Ad hoc spatial analysis and mapping requests.
- Printing of organisational materials, such as budget reports or posters (large format).

Financial system activities

These activities include, but are not limited to the following:

- Configuration changes as a result of changing legal requirements pertaining to taxation.
- Support for master data maintenance on various modules.
- Fine tuning existing standard SAP or customised reports in response to changing business needs.
- Needs analysis and development of new reports as may be required by line functions.
- The development of tools to assist users in maintaining master data, which requires regular maintenance, such as tax tables, rebates and travel rates.

Registration application forms' scanning and address capture support

In order to improve efficiency in referencing and storing source voter registration documentation, a project was undertaken whereby all registration application forms (REC1) were scanned and linked to the electronic registration record on the system for a voter.

Once the physical form and electronic record were linked, the scanned imaged was used to capture the address (as per the registration form) onto the voter registration system.

Business systems projects

A number of projects were concluded during the year, with the aim of ensuring that the technologies provided to the organisation remain up to date, and that changing business processes are incorporated into the systems.

eProcurement enhancements

The eProcurement application was enhanced to respond to end-user requirements identified through the course of the year, as well as the latest laws and regulations governing the public service procurement processes.

A number of enhancements were made to the system, most notably the following:

- Auction bidding and scoring changes in line with the new BEEE scorecard (PPPFA)
- Publishing of bidders on tenders
- Navigation and search functionality enhancements
- Enhancements to supplier approval pages
- Data architecture changes
- New manual purchase order update functionality

Who is my ward councillor?

New functionality was developed on the Commission's website to enable members of the public to view their ward councillor details. This can currently be done in one of two ways:

- A registered voter can SMS his or her valid identity number to 32245. A reply SMS will be sent indicating the voter's ward number, name of the ward councillor and party contact telephone number.
- A non-registered voter can click on the LGE Results Finder link and click on the applicable area on the map. The ward councillor information for the selected area will be displayed on the screen.

Additional functionality is in the process of being added to provide a third option, whereby users will be able to select a province, municipality or ward to view the ward councillor's details for the selected ward.

Electoral staff system enhancements

Subsequent to the 2011 municipal elections, the electoral staff system underwent several audits pertaining to both financial and system controls. In response to the audit findings, the electoral staff system was enhanced to further improve compliancy and control within the system.

A summary of the major changes implemented are as follows:

- Payment automation functionality: This module was implemented to improve overall security surrounding the processing of payment files for electoral staff.
- Document versioning and scanning functionality: This functionality allows for the scanning and tracking of staff contract information, which improves the administration of contracts. The business process is further improved by the fact that the system will be able to electronically determine whether a contract was signed using optical character recognition technology.
- System optimisation: The system was optimised for improved performance and systems capability, especially during peak periods of electoral staff activity.

Special projects

Traditional Council elections

In preparation for the elections to appoint traditional councils in KwaZulu-Natal in February 2012, the Department of Cooperative Governance and Traditional Affairs (CoGTA) requested the Commission to assist by providing elections support. In response to this request, the ICT and GIS teams were involved in supporting the different components of the election, including delimitation, voter registration, candidate nomination, ballot paper printing and results capturing. A stand-alone delimitation set was created to cater for the 263 traditional councils. This served as the base for the rest of the Traditional Council election activities. In order to support voter registration, barcodes were generated for use in conjunction with the zip-zip scanners at the voting stations. The scanners were then docked and the voter information consolidated to create the Traditional Council voters' list, which was used on Election Day. In addition to supporting the candidate nomination process, the team was also involved in the design of the ballot paper template to ensure that the ballot paper was appropriate for the event. Given the unique nature of the legislation governing traditional councils, the results system was modified to address the different seat calculations required for Traditional Council elections.

Windows and SQL platform upgrade

The current platform used by the Commission (Windows XP, Windows Server 2003 and SQL Server 2005) has been in use since 2005 and vendor support for these products is coming to an end. In order to mitigate the risks of operating on an outdated platform, this upgrade project was initiated. It involves testing and migrating existing systems to Windows 7, Windows Server 2008 and SQL Server 2008 R2.

In addition to ensuring continued vendor support, the upgrade (all servers and approximately 2 000 workstations) will also result in improved server performance, security and improved reliability.

ICT operations and infrastructure

In order to provide high availability of ICT services at the Commission, a number of infrastructure maintenance tasks are executed on a regular basis to ensure the smooth delivery of services in the environment.

General ICT operations maintenance activities

These activities include the following:

- Performing daily system checks in all environments to ensure all systems are available and stable before start of business. This includes servers, switches, storage area network devices and provincial uninterrupted power supplies.
- Ensuring that all systems are backed up according to the schedules set by the organisation and removing tapes off site on a daily basis.
- Security monitoring of the ICT infrastructure, which includes virus attacks and operating system vulnerabilities and exploits.
- Monitoring all network (LAN and WAN) activity on a daily basis to ensure the provision of high availability and adequate capacity.
- Assessing vulnerabilities of infrastructure on a weekly basis and remediating potential weaknesses.
- Providing desktop support to the Commission's staff from a central location by using remote assistant tools.
- Maintenance and performance tuning of the email infrastructure, as well as ensuring high availability of user email.
- Monitoring and managing environmental controls of the data centre.
- Maintaining a disaster recovery site of all business critical systems.

ICT operations projects

A number of projects were concluded during the year, with the aim of ensuring that the technologies provided to the organisation remain up to date.

Virtualisation drive

The capacity of the virtual environment was increased to cater for the additional conversion of systems from physical servers to virtual servers. A three-month analysis of the systems was performed to determine which systems would be the most appropriate for virtualisation, taking into consideration the resource requirements and utilisation of the system over the period. This initiative has assisted in reducing the power consumption and cooling requirements of the data centre.

Desktop hardware refresh

As part of the Windows 7 upgrade project, all desktop and high-end computers were procured. An analysis was performed to determine the capacity needed to cater for the Windows 7 operating system and all the applications that the users would need to perform their duties. The aim of the hardware refresh was to ensure that these computers will serve the organisation for the next five years without requiring additional resources.

Legal Services

There were no amendments to any prescript of the Electoral Commission. The legislative amendments of February 2011, including provision of special votes, were implemented in time for the 2011 municipal elections.

During the year under review, 12 notices on electoral processes were published. These included by-election notices and the 2011 municipal election notices.

The Commission was involved in 21 legal cases during the year under review. All these cases involved vacancies or the replacement of municipal councillors, and the submission of candidate nomination lists for the 2011 elections. The Commission was only cited as an interested party. There was one major case involving the submission of candidate nomination documents at local offices of the Commission in terms of sections 14 and 17 of the Municipal Electoral Act, 2000 (Act No. 27 of 2000). The Commission applied to the Constitutional Court and successfully appealed against a decision of the Electoral Court to allow the Inkatha Freedom Party (IFP) to submit documents relating to an election in one municipality to an office in a different municipality. This clarified and confirmed the absence of discretion on peremptory provision of the Commission's electoral prescripts.

The Commission received 97 objections in terms of section 65 of the Municipal Electoral Act, 2000. These were objections material to election results. None were upheld by the Commission.

A total of 180 contracts and lease agreements were received, analysed and submitted for further action or approval for signature.

Legal Services attended 52 Procurement Committee meetings, excluding tender closings.

Programme 5				
Performance Indicator	**Baseline (Actual Output) 2010/11**	**Actual Performance against Target**		**Reason for Variance**
		Target (2011/12)	**Actual (2011/12)**	
5.1.1 Date by which comprehensive HR strategy and plan is approved	-	31 March 2012 Deferred to June 2013	Draft strategy is in place.	This was deferred to 30 June 2013 due to lack of funding since the IEC was not fully funded for implementation of special voting and had to reprioritise spending. Much of the contents of the strategy and plan exist in separate documents at present.
5.2.1 Percentage staff recruited and paid as per various recruitment and payment policies and plans based on the number of approved posts	93%	95%	93%	The 2.1% variance falls within the limits of normal practical operations.
5.2.2 Percentage compliance with recruitment and payment plans and policies	100%	100%	100%	
5.3.1 Integrated training strategy and plan by target dates developed and approved	-	31 March 2012 Deferred to March 2013	Draft strategy is in place. The date of finalisation was moved to March 2013 for further consultation with stakeholders.	The draft strategy and plan was developed and circulated among stakeholders. It became evident that further consultation with stakeholders still had to take place in the interest of an effective outcome.
5.3.2 Number of trained electoral officials	57 405	126 000 Restated to 196 000	198 226	The original target only included electoral staff other than presiding and deputy presiding officers as they were to be trained in the previous financial year. The introduction of special votes required retraining of presiding officers and deputy presiding officers categories as well. The 1.1% increase in trained staff was due to the introduction of voting centres that required additional staff and which were not part of the original plan.

Programme 5				
Performance Indicator	**Baseline (Actual Output) 2010/11**	**Actual Performance against Target**		**Reason for Variance**
		Target (2011/12)	**Actual (2011/12)**	
5.3.3 Number of training and development interventions	235	325	305	The efficiency of training programmes meant that some follow-up training was not required.
5.4.1 Date by which comprehensive support services strategy and plan is approved	New target	31 March 2012	Strategy and plan developed and approved.	
5.5.1 Approved Budget and Project Charter Framework in place for the Commission	31 March 2011	31 March 2012	Budget policy and standard operating procedures developed.	
5.6.1 Audit opinion expressed by the Auditor-General	Unqualified	Unqualified	Unqualified	
5.7.1 Date by which supply chain management framework is reviewed and approved	31 March 2011	31 March 2012	Procurement policy and standard operating procedures developed.	
5.8.1 Approved five year ICT infrastructure plan in place	New target	31 March 2012 Deferred to June 2012	Deferred strategy development to next year	The unavailability of some industry leaders led to the workshop which would have involved them being deferred from March to June 2012.
5.9.1 Percentage network and application systems availability (system generated report available)	99%	99%	99.5%	

Section 3

REPORT OF THE AUDIT COMMITTEE

The Audit Committee is pleased to present its report for the financial year ended 31 March 2012.

1. Audit Committee Members and Attendance

The Audit Committee consisted of four members listed hereunder and meets at least twice per annum as per its approved terms of reference (charter). During the current financial year four meetings were held as follows:

Name of Member	Attended	Apologies	Total Attended
Mr JFJ Scheepers (Chairperson)	4	0	4
Ms K Rapoo	4	0	4
Ms CH Wessels	3	1	3
Mr JM Lekgetha (appointed 1 April 2011)	3	1	3

Name of Member	6-Dec-11	18-Sep-11	28-Jul-11	27-May-11
Mr JFJ Scheepers (Chairperson)	√	√	√	√
Ms K Rapoo	√	√	√	√
Ms CH Wessels	√	√	×	√
Mr JM Lekgetha (appointed 1 April 2011)	√	√	√	×

The external auditors, internal auditors, Accounting Officer (Chief Electoral Officer), Chief Financial Officer, Chief Information Officer and a representative of the Commissioners have a standing invitation to Audit Committee meetings and have attended most of the meetings during the year under review.

2. Audit Committee Responsibility

The Audit Committee hereby reports that it has complied with its responsibilities arising from Treasury Regulations issued in terms of the Public Finance Management Act, Act No. 1 of 1999 (PFMA), as amended and, in particular, those arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1.13.

The Audit Committee also confirms that it has adopted appropriate formal terms of reference contained in the Audit Committee Charter as delegated to it by the Commission (Executive Authority), has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein within the timeframes agreed in its annual work plan.

3. The effectiveness of Internal Control

The systems of control are designed to provide cost-effective assurance that assets are safeguarded and that liabilities and working capital are efficiently and effectively managed. In line with the PFMA and principles of good governance, Internal Audit provides the Audit Committee with assurance that the internal controls are appropriate and effective for the focus areas reviewed. This is achieved by means of ongoing risk assessment processes, as well as the identification of corrective actions and suggested enhancements to the controls and processes.

A register of audit findings in respect of instances of non-compliance with statutory requirements, key governance responsibilities and prescribed policies and procedures reported in the various reports of the internal auditors, the Audit Report and management letter of the Auditor-General have been implemented and monitored on a continuous basis to ensure implementation of corrective actions. A progress report is submitted to each audit committee meeting.

4. The effectiveness of Internal Audit

The Audit Committee reviewed the effectiveness of internal audit. The Chief Audit Executive submitted quarterly reports on internal audit findings in respect of audits performed by the co-sourced Internal Audit Activity in line with the risk-based internal audit plan as approved by the Audit Committee for the period under review.

The audits so performed also included an independent evaluation of the extent that previous audit recommendations by internal and external auditors have been implemented by the Accounting Officer.

5. Risk Management

A risk maturity assessment has been conducted. The resultant findings, together with specific measures to be implemented in order to improve the risk management levels appropriate for the institution, are also included in the register of audit findings.

6. The quality of management, and monthly/quarterly reports submitted in terms of the PFMA

The Audit Committee is pleased to acknowledge the vast improvements regarding the quality of financial statements submitted for this reporting period. Going forward, the structured month-end closure practices will be tested through preparation and submission of interim financial statements, which will ensure that the integrity of financial information is maintained throughout.

7. The Institution's compliance with Legal and Regulatory Provisions

From the various reports of the internal auditors, the Audit Report on the annual financial statements and the management letter of the Auditor-General, the Audit Committee noted that no new significant or material non-compliance with legal and regulatory provisions have been reported.

8. Evaluation of Annual Financial Statements

The Audit Committee has:

- reviewed and discussed the audited annual financial statements with the Auditor-General and the Accounting Officer; and
- reviewed the Auditor-General's management letter and the response of management thereto.

The Audit Committee concurs and accepts the Auditor-General's conclusions on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

J F J Scheepers
Chairperson of the Audit Committee
30 July 2012

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON ELECTORAL COMMISSION

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Electoral Commission set out on pages 71 to 106, which comprise the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting Officer's responsibility for the financial statements

2. The Accounting Officer is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA), and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Electoral Commission as at 31 March 2012, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice and the requirements of the Public Finance Management Act.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

7. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

8. I performed procedures to obtain evidence about the usefulness and reliability of the information in the report on predetermined objectives as set out on pages 11 to 60 of the annual report.

9. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the *National Treasury Framework for managing programme performance information.*

   The reliability of the information in respect of the selected objectives is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

10. There were no material findings on the predetermined objectives concerning the usefulness and reliability of the information.

Compliance with laws and regulations

11. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA are as follows:

Procurement and contract management

12. The evaluation criteria to be used in awarding preference points and for equity ownership by Highly Disadvantaged Individuals (HDI), as well as per category of HDI, was not specified in the request for quotations between R30 000 and R100 000. Therefore, sufficient appropriate audit evidence could not be obtained that the award was made based on criteria that was consistent with the original invitations for bids as per the requirements of Treasury Regulation (TR) 16A3.2.

Expenditure management

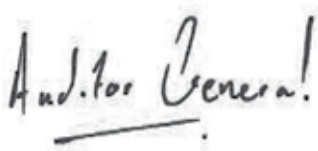
13. The Accounting Officer did not take effective steps to prevent irregular expenditure, as per the requirements of section 38(1) (c) (ii) of the PFMA and Treasury Regulation 9.1.1. The Accounting Officer has investigated these instances of irregular expenditure and appropriate actions have been taken in this regard.

Internal control

14. I considered internal control relevant to my audit of the financial statements, report on predetermined objectives and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the basis for the findings on compliance with laws and regulations included in this report.

Financial and performance management

15. Non-compliance with laws and regulations could have been prevented had compliance with laws and regulations been adequately monitored and reviewed.



Pretoria

30 July 2012

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

SOUTH AFRICA

Electoral Commission

Annual Financial Statements
for the year ended 31 March 2012

Electoral Commission

Annual Financial Statements for the year ended 31 March 2012

Table of contents

	Page
Report of the Accounting Officer	69
Accounting policies	71
Statement of Financial Performance	80
Statement of Financial Position	81
Statement of Changes in Net Assets	82
Cash Flow Statement	83
Notes to the Annual Financial Statements	84

Accounting Officer's Report

For the year ended 31 March 2012

The Accounting Officer has the pleasure in presenting this report, which forms part of the audited annual financial statements of the Electoral Commission (the Commission) for the year ended 31 March 2012. This report and the annual financial statements comply with the requirements of the Public Finance Management Act, Act No. 1 of 1999 (the PFMA) and the Electoral Commission Act, Act No. 51 of 1996.

The Accounting Officer of the Commission is the Chief Electoral Officer in terms of section 36(2)(b) of the PFMA.

Nature of Business

The nature of the Commission's business is to manage elections of national, provincial and municipal legislative bodies in accordance with national legislation, to ensure that those elections are free and fair, and to declare the results of those elections within a period that is prescribed by national legislation and that is as short as possible.

Registration Details

The Electoral Commission is a constitutional institution established in terms of section 181(1)(f) of the Constitution of the Republic of South Africa. The registered office is Election House, Riverside Office Park, 1303 Heuwel Avenue, Centurion.

Financial Highlights

The Commission received R840 million for the year under review by way of parliamentary allocation. Sundry income was generated consisting largely of interest earned and sponsorship income, bringing the Commission's total income to R855 million.

All funds have been accounted for and are disclosed in the annual financial statements.

Material Losses through Criminal Conduct, Irregular, Fruitless and Wasteful Expenditure

Section 55(2) (b) of the PFMA requires that the Commission include in the annual report particulars of any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year. There were no confirmed material instances of losses through criminal conduct discovered during the year under review.

Irregular expenditure amounting to R42,607,672 was incurred in the financial year and is reflected in Note 27 of the annual financial statements. The circumstances surrounding the incurring of irregular expenditure have been investigated and no action will be taken against any employee in respect of this expenditure, as there was no loss to the Commission. This expenditure was irregular due to technical compliance issues only. Steps have been taken to prevent recurrence.

Fruitless and wasteful expenditure amounting to R6,717 was incurred in the financial year and is reflected in Note 28 of the annual financial statements. The fruitless and wasteful expenditure relates to interest paid on overdue accounts, and will be investigated to determine whether it will be economical to recover. Steps have been taken to prevent recurrence.

Events subsequent to the date of the Statement of Financial Position

Management and the Accounting Officer are not aware of any matters or circumstances arising subsequent to the end of the financial year that may materially affect the financial statements.

Corporate Governance

Various sections of the PFMA place responsibility on the Accounting Officer to ensure that the organisation complies with all applicable legislation. Any non-compliance with legislation is reported quarterly to EXCO and the Commission.

The Accounting Officer has the responsibility for establishing a framework of internal controls. The controls are designed to provide cost-effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. The internal control environment was effectively

Accounting Officer's Report

For the year ended 31 March 2012

implemented by management and monitored by internal audit. The Accounting Officer is also responsible for maintaining adequate accounting records and an effective system of risk management.

The Accounting Officer's responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements and ensuring that the financial statements are free from material misstatement.

Internal controls operated effectively during the year.

The Accounting Officer of the Electoral Commission is responsible for the preparation and fair presentation of the annual financial statements of the Commission.

These statements comprise the following:

- Accounting Policies;
- Statement of Financial Performance for the year ended 31 March 2012;
- Statement of Financial Position as at 31 March 2012;
- Statement of Changes in Net Assets;
- Cash Flow Statement for the financial year then ended; and
- Notes to the Financial Statements.

The financial statements are prepared in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) issued by the Accounting Standards Board.

The Auditor-General is responsible for reporting on whether the annual financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of the Annual Financial Statements

The annual financial statements of the Electoral Commission set out on pages 71 to 106 have been approved by the Accounting Officer.

M MOEPYA
CHIEF ELECTORAL OFFICER
30 JULY 2012

Accounting Policies

For the year ended 31 March 2012

1. Reporting Entity

The Electoral Commission (the "Commission") is an entity created by the Constitution of the Republic of South Africa (Act No. 108 of 1996) to promote and safeguard representative democracy in South Africa. The Commission is publicly funded and accountable to Parliament, yet independent of government. Its core function is the impartial management of free and fair elections in all spheres of government.

2. Basis of Preparation

Basis of measurement

The historical cost convention has been used.

The preparation of the financial statements in conformity with Generally Recognised Accounting Practice (GRAP) requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Use of estimates and judgement

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements includes operating lease straight lining. Operating leases are recorded on a straight line basis over the lease term. Management has made estimates of the liability based on the contract and the escalation clause over the lease term. Additional details are included in the operating lease note.

Provisions were raised based on the estimate made by management using information available. Additional disclosures are made in the relevant notes.

The financial statements have been prepared on a going concern basis.

The financial statements encompass the reporting as specified in the Public Finance Management Act, Act No. 1 of 1999.

Where necessary, comparative figures have been adjusted to conform to changes in the presentation of the period under review.

Functional and presentation currency

The financial statements are presented in South African Rands, which is the Commission's functional currency. All information has been rounded to the nearest R1.

Statement of compliance

The annual financial statements have been prepared in accordance with GRAP, including any interpretations and directives issued by the Accounting Practices Board.

New standards, amendments to existing standards adopted

During the current financial year, the following GRAP Standards were adopted by the Commission;

- GRAP 104: Financial instruments

The adoption of these newly effected GRAP standards did not have a significant impact on the financial statements as the principles are similar to those already applied under International Financial Reporting Standards (IFRS).

Significant accounting policies

The following are the principal accounting policies of the Commission, which are in all material respects consistent with those applied in the previous year.

Accounting Policies
For the year ended 31 March 2012

3. Revenue Recognition

Revenue is recognised when it is probable that future economic benefits will flow to the Commission and these benefits can be measured reliably. Revenue is measured at fair value of the consideration received or receivable and represents the amounts receivable for services provided in the normal course of business.

3.1 Revenue from Exchange Transactions

An exchange transaction is one in which the Commission receives assets or services and gives approximate equal value in assets or services.

Political party registration income is recognised on receipt.

Investment revenue comprises interest income on funds invested. Interest income is recognised on a time proportion basis using the effective interest method.

3.2 Revenue from Non-exchange Transactions

Revenue from non-exchange transactions refers to transactions where the Commission receives revenue from another entity without directly giving approximately equal value in exchange.

Revenue from non-exchange transactions includes parliamentary allocations and sponsorship income.

Parliamentary allocations and sponsorship income are recognised when there is reasonable assurance that the Commission will comply with the conditions attached to them and the allocation will be received.

4. The Effects of Changes in Foreign Exchange Rates

A foreign currency transaction is recorded, on initial recognition, in the functional currency by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary items (i.e. cash and cash equivalents, trade receivables from exchange transactions and trade and other payables from exchange transactions) are translated using the closing rate.

Non-monetary items (i.e. property, plant and equipment) are translated using the exchange rate either at the date that the transaction occurred (when these items are carried at historical cost) or when fair value is determined (when these items are carried at revalued amounts).

Foreign currency differences arising from settlement or translation of monetary items are included in surplus or deficit, whereas any differences on translation of non-monetary items are included either in net assets (where any gains or losses on those items are recognised in net assets) or surplus or deficit.

5. Finance Cost

Finance cost comprises:

- interest expense;
- unwinding of the discount on provisions; and
- impairment losses recognised on financial assets.

All borrowing costs are recognised in surplus or deficit using the effective interest method.

6. Donor-funded Projects

In terms of donor requirements contained in financial agreements with benefactors, unexpended donor funds ring-fenced for specific projects are reflected as current liabilities in circumstances where such funds are repayable to donors in the event of the funds not being utilised on the specific project.

Unexpended donor funds that are not required to be repaid and that relate to completed projects are treated as operating income in the year that the projects are deemed completed.

7. Taxation

No provision is made for taxation as the Commission is exempt from tax in terms of Section 10(1)(cA) of the Income Tax Act.

8. Irregular Expenditure

Irregular expenditure, as defined in section 1 of the Public Finance Management Act, Act No. 1 of 1999 (PFMA), is expenditure other than unauthorised

expenditure, incurred in contravention of, or that is not in accordance with, a requirement of any applicable legislation, including:

- the PFMA; or
- the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- any provincial legislation providing for procurement procedures in that provincial government.

National Treasury Practice Note No. 4 of 2008/2009, which was issued in terms of sections 76(1) to 76(4) of the PFMA, requires that from 1 April 2008, irregular expenditure that was incurred and identified during the current financial year and which was condoned before year-end and/or before finalisation of the financial statements is recorded appropriately in the irregular expenditure register. In such an instance, no further action is taken except that the note to the financial statements is updated.

All irregular expenditure is recognised in the annual financial statements in the period in which it is incurred and disclosed separately.

Irregular expenditure is accounted for as expenditure in the statement of financial performance and where recovered it is subsequently accounted for as revenue in the statement of financial performance.

9. Fruitless and Wasteful Expenditure

Fruitless and wasteful expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

The expenditure is accounted for as expenditure in the statement of financial performance and is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

10. Unauthorised Expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote;
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

The expenditure is accounted for as expenditure in the statement of financial performance and is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

11. Property, Plant and Equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods and services or for administrative purposes and are expected to be used during more than one financial period.

An item of property, plant and equipment is recognised as an asset if it is probable that economic benefits or service potential associated with the item will flow to the entity and the cost can be measured reliably. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Property, plant and equipment are stated in the statement of financial position at cost less any subsequent accumulated depreciation and impairment losses. These assets are depreciated on the straight-line basis at rates that will result in each asset being written off over its useful life. Where an asset is acquired at no cost (i.e. non-exchange transaction), its cost is its fair value as at the date of acquisition.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

Artwork is not depreciated and is carried at cost less impairment losses.

The estimated useful lives of property, plant and equipment are:

Class	Estimated useful life in years
Pre-fabricated buildings	7–10 years
Furniture and fittings	10–15 years
Motor vehicles	3–5 years
Office machines and equipment	8–10 years
Computer equipment	3–5 years
Scanners (zip zips)	7–10 years
Cell phones	3 years
Appliances	5–10 years

Leasehold improvements are capitalised, as the Commission controls the assets for the period of the lease. Leasehold improvements are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Commission will obtain ownership by the end of the lease term.

The Commission reviews the useful lives, residual values and depreciation methods of items of property, plant and equipment at least at every reporting date and where expectations differ from previous estimates, the change(s) are accounted for as a change in accounting estimate.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Commission and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in surplus or deficit as incurred.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is included in the statement of financial performance in the year it is recognised.

12. Intangible Assets

12.1 Acquired Intangible Assets

Intangible assets are recognised when it is probable that future economic benefits specifically attributable to the assets will flow to the Commission and the cost of the intangible assets can be measured reliably.

Intangible assets are stated at cost less any accumulated amortisation and impairment losses.

12.2 Internally Generated Intangible Assets

Internally generated intangible assets arising from the development phase of internal projects are recognised when:

- the Commission has an intention to complete and use the intangible asset and adequate technical, financial and other resources to complete the development are available;
- the intangible asset will generate probable future economic benefits or service potential; and
- the Commission is able to measure reliably the expenditure attributable to the intangible asset during its development.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Intangible assets with finite useful lives are amortised on a straight-line basis over their useful lives.

Item	***Estimated useful life in years***
Computer software	5–8 years

The amortisation period and the amortisation method for intangible assets are reviewed at the end of each reporting period.

13. Inventories

Inventories are measured at the lower of cost and current replacement cost where they are held for distribution at no charge. The cost of inventories is based on the weighted average principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated value in use in the ordinary course of business, less the estimated costs of completion. Net realisable value for consumables and promotional stocks is assumed to approximate the cost price due to the relatively short period that these assets are held in stock.

14. Financial Instruments

The Commission's financial assets comprise trade and other receivables from exchange transactions, and cash and cash equivalents.

The Commission's financial liabilities comprise trade and other payables from exchange transactions.

14.1 Initial Recognition

Financial assets and liabilities are recognised in the statement of financial position only when the Commission becomes a party to the contractual provisions of the instrument.

14.2 Measurement

Financial instruments are initially recognised at fair value plus transaction costs.

Financial assets and liabilities

Subsequent to initial recognition, non-derivative financial assets and liabilities are measured as described below.

Trade and other receivables from exchange transactions

Trade and other receivables from exchange transactions originated by the Commission are stated at amortised cost using the effective interest method, less any impairment losses.

At the end of each reporting period, the carrying amount of trade and other receivables is reviewed to determine whether there is any objective evidence that the amount is not recoverable. If so, an impairment loss is recognised immediately in the statement of financial performance.

Cash and cash equivalents

For purposes of the cash flow statement, as well as the statement of financial position, cash and cash equivalents comprise cash on hand and other short-term investments. Cash and cash equivalents are stated at amortised cost.

Trade and other payables from exchange transactions

Trade and other payables from exchange transactions are initially measured at fair value plus any directly attributable transaction costs, and are subsequently measured at amortised cost, using the effective interest method.

The Commission's trade and other payables from exchange transactions relate to the amount owed to the suppliers, and other accruals.

The Commission's accrual amount represents goods and services that have been delivered by the supplier but remain unpaid as at year-end.

Finance income, gains and losses

Finance income is recognised using the effective interest method with gains and losses recognised in the statement of financial performance (surplus or deficit).

Finance income includes interest earned on deposits and short-term investments.

14.3 Method and Significant Assumptions in Determining Fair Value

Fair values of financial assets, non-financial assets and liabilities have been determined for measurements and/or disclosure purposes based on the methods indicated below. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The carrying amount of cash and cash equivalents approximates fair value due to the relatively short-term maturity of these financial assets.

The fair value of trade and other receivables from exchange transactions is calculated as the present value of future cash flows, discounted at a market rate of interest at the reporting date.

Fair value of non-derivative financial liabilities is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

14.4 Derecognition of Financial Instruments

Financial assets are derecognised when the Commission loses control of the contractual rights that comprise the financial assets. The Commission loses control if the right to benefits specified in the contract is realised, the rights expire or the Commission surrenders those rights.

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

15. Non-current Assets Held for Sale

The Commission classifies a non-current asset as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The asset must be available in its present condition and the sale must be highly probable.

A sale is highly probable if the appropriate level of management is committed to a plan to sell. This means that the Commission must:

- have begun an active programme to locate a buyer and complete the sale;
- be actively marketing the asset at a price that is reasonable compared to its current fair value;
- have made a sale to be completed within one year from the date of classification, unless a delay is caused by events beyond the Commission's control; and
- carry out actions required to complete the plan, which should indicate that it is not likely that there will be significant changes made to the plan or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less cost to sell.

16. Leases

16.1 Finance Leases as the Lessee

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset to the Commission.

The Commission does not enter into contractual agreements which includes finances leases, as this is prohibited by the TR 13.2.5, which states;

> 'The accounting officer of an institution may, for the purposes of conducting the institution's business, enter into lease transactions without any limitations provided that such transactions are limited to operating lease transactions.'

16.2 Operating Leases as the Lessee

An operating lease is a lease other than a finance lease. Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of financial performance on a straight-line basis over the term of the relevant lease.

17. Employee Benefit Cost

17.1 Short-term Employee Benefits

Short-term employee benefits are measured on an undiscounted basis and are recognised in the

statement of financial performance in the reporting period that the related service is delivered.

17.2 Termination Benefits

Termination benefits are recognised as an expense when the entity is demonstrably committed, without the realistic possibility of withdrawal, to a formal detailed plan either to terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Commission has made an offer of voluntary redundancy, it is probable that the offer will be accepted and the number of acceptances can be estimated reliably.

17.3 Retirement Benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Commission operates defined contribution retirement benefit plans for its employees.

The assets of the plans are held separately from those of the Commission under the control of trustees.

Payments to the defined contribution plan are charged as an expense as they fall due in the statement of financial performance.

17.4 Accrual for Leave Pay

Employee entitlements to annual leave are recognised when they accrue to employees. A provision based on the basic salary is raised for estimated liabilities as a result of services rendered by employees up to the reporting date.

18. Impairment of Assets

18.1 Financial Assets

The Commission assesses at each reporting date whether there is any indication that a financial asset may be impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The appropriate impairment loss is recognised in surplus or deficit and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amounts of the impaired assets are reduced via an allowance account.

Individually significant financial assets are tested for impairment. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in surplus or deficit.

18.2 Non-financial Assets

The carrying amounts of the Commission's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is determined.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in surplus or deficit.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication

that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Impairment losses and the reversal of impairment losses are recognised in the surplus or deficit.

19. Provisions, Commitments and Contingencies

19.1 Provisions

A provision is a liability where the timing or amount of the outflow of resources embodying economic benefits or service potential is uncertain.

A provision is recognised when:

- the Commission has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, the amount of a provision shall be the present value of the expenditure expected to be required to settle the present obligation. The discount rate shall reflect current market assessments of the time value of money and risks specific to the liability.

The Commission reviews provisions at each reporting date and adjusts them, if necessary, to reflect the current best estimate.

19.2 Commitments

A commitment is an agreement between two or more parties that is binding on those parties, to the degree that to renege on the agreement will be costly.

Commitments represent the orders issued to the suppliers that have been approved, but where no delivery has taken place as at year-end, and contractual commitments.

Commitments are not recognised in the statement of financial position as liabilities and assets, but are included in the disclosure notes.

The Commission discloses the amount of contractual commitments for the acquisition of property, plant and equipment, and intangible assets.

An onerous contract is a contract for the exchange of assets or services in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits or service potential expected to be received under it. The Commission has no onerous contracts.

19.3 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events that are beyond the control of the Commission.

Alternatively, a contingent liability is a present obligation that arises from past events, but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are included in the disclosure note.

20. Contingent Assets

Contingent assets arise from unplanned or other unexpected events that are not wholly within the control of the Commission and give rise to the possibility of an inflow of economic benefits or service potential to the Commission. Contingent assets are included in the disclosure note.

21. Related Parties

Related-party transactions are transactions that involve the transfer of resources, services or obligations between related parties, regardless of whether a price is charged. Implicit in the definition of related party

are other government entities and joint ventures that have a significant influence on the Commission and its activities.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Commission directly or indirectly.

22. Changes in Estimates and Prior-period Errors

22.1 Changes in Estimates

As a result of the uncertainties inherent in delivering services, many items in financial statements cannot be measured with precision, but can only be estimated. Estimates involve judgement based on recently available, reliable information and therefore an estimate may change as new information becomes known, circumstances change or more experience is obtained.

The Commission recognises the effects of changes in accounting estimates prospectively, by including the effects in surplus or deficit in the period of the change if the change affects that period only or in the period of the change and future periods, if the change affects both.

22.2 Prior-period Errors

Prior-period errors are omissions from, and misstatements in, the Commission's financial statements for one or more prior period, arising from a failure to use (or misuse of) reliable information that was available when the financial statements for those periods were authorised for issue and could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors include the effect of mistake in applying the accounting policy, oversight or misinterpretation of facts.

23. Events after the Reporting Period

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue.

The Commission adjusts the amounts recognised in its financial statements to reflect conditions that existed at the end of the reporting period (adjusting events after reporting date) prior to authorisation for issue.

24. Effect of New GRAP Standards

The following GRAP standard has been approved but is not yet effective:

- GRAP 25: Employee Benefits

The above standard will come into effect for financial periods commencing on 1 April 2012. The adoption of this GRAP standard when it becomes effective is not expected to have a significant impact on the financial statements as the principles are similar to those already applied under the equivalent statement of IFRS.

Statement of Financial Performance

For the year ended 31 March 2012

	Note	March 2012 R	March 2011 R
Revenue			
Revenue from non-exchange transactions	1	**844,238,000**	**1,437,940,000**
Parliamentary allocation		839,788,000	1,437,940,000
Sponsorship revenue		4,450,000	-
Revenue from exchange transactions	2	**10,594,115**	**23,641,156**
Political party registration fees		4,200	25,900
Investment revenue		10,268,152	22,978,990
Other operating revenue	2.1	321,763	636,266
Total revenue		**854,832,115**	**1,461,581,156**
Expenditure			
Employee-related costs	3	(412,557,163)	(421,373,716)
Administrative expenditure	4	(828,772,439)	(647,564,434)
Depreciation, amortisation and impairment	5	(57,103,340)	(52,366,100)
Audit fees	6	(4,873,673)	(7,027,983)
Finance costs	7	(327,761)	(377,183)
Repairs and maintenance	8	(10,079,167)	(8,556,355)
Miscellaneous expenditure		(25,904)	(4,400)
Total expenditure		**(1,313,739,447)**	**(1,137,270,171)**
(Deficit) on sale of assets	9	(1,498,948)	(3,374,379)
(Deficit) / Surplus for the year		**(460,406,280)**	**320,936,606**

Statement of Financial Position

as at 31 March 2012

	Note	March 2012 R	March 2011 R
Assets			
Non-current Assets		**339,706,264**	**339,859,321**
Property, plant and equipment	11	281,725,749	273,874,797
Intangible assets	12	57,980,515	65,984,524
Current Assets		**69,153,470**	**609,146,928**
Inventories	13	14,070,494	27,707,721
Trade and other receivables from exchange transactions	14	9,383,217	5,155,373
Prepayments	15	7,866,835	13,709,444
Cash and cash equivalents	16	37,832,924	562,574,390
Non-current assets held for sale and assets of disposal groups	17	3,867,682	244,447
Total Assets		**412,727,416**	**949,250,696**
Liabilities			
Non-current Liabilities		**21,275,747**	**10,398,706**
Operating lease liability	18	21,275,747	10,398,706
Current Liabilities		**45,936,126**	**132,930,167**
Trade and other payables from exchange transactions	19	41,351,235	132,659,086
Provisions	20	367,936	-
Foreign and local aid assistance	21	4,216,955	271,081
Total Liabilities		**67,211,873**	**143,328,873**
Net Assets			
Accumulated surplus		345,515,543	805,921,823
Total Liabilities and Net Assets		**412,727,416**	**949,250,696**

Statement of Changes in Net Assets

for the year ended 31 March 2012

	Note	R Accumulated surplus	R Total net assets
Balance at 1 April 2010		**484,985,217**	**484,985,217**
Surplus for the year		320,936,606	320,936,606
Balance at 1 April 2011		**805,921,823**	**805,921,823**
(Deficit) for the year		(460,406,280)	(460,406,280)
Balance at 31 March 2012		**345,515,543**	**345,515,543**

Cash Flow Statement
for the year ended 31 March 2012

Cash flows from operating activities	Note	March 2012 R	March 2011 R
Cash receipts from customers		**856,446,880**	**1,460,889,974**
Parliamentary allocation		839,788,000	1,437,940,000
Other receipts		4,450,000	-
Investment revenue		10,268,152	22,978,990
Sale of goods and services		1,940,728	(29,018)
Cash paid to suppliers and employees		**(1,319,115,879)**	**(1,008,291,647)**
Employee costs		(412,557,163)	(421,373,716)
Finance costs		(327,761)	(377,183)
Suppliers		(906,230,955)	(586,540,748)
Net cash flows from operating activities	22	**(462,668,999)**	**452,598,327**
Cash flows from investing activities		**(62,072,467)**	**(118,621,993)**
Purchase of property, plant and equipment	11	(59,788,561)	(85,500,922)
Proceeds from sale of property, plant and equipment		824,490	173,307
Purchase of intangible assets	12	(3,229,807)	(34,055,421)
Transfer of intangible assets	12	-	182,526
Disposal of assets held for sale	17	121,413	578,517
Net (decrease) / increase in cash and cash equivalents		**(524,741,466)**	**333,976,334**
Cash and cash equivalents at the beginning of the year		562,574,390	228,598,056
Cash and cash equivalents at the end of the year	16	**37,832,924**	**562,574,390**

Notes to the Annual Financial Statements for the year ended 31 March 2012

		March 2012 R	March 2011 R
1. Revenue from non-exchange transactions			
Parliamentary allocation		839,788,000	1,437,940,000
Sponsorship revenue		4,450,000	-
		844,238,000	**1,437,940,000**
2. Revenue from exchange transactions			
Political party registration fees		4,200	25,900
Investment revenue		10,268,152	22,978,990
Other operating revenue	2.1	321,763	636,266
		10,594,115	**23,641,156**

Investment revenue represents interest received on cash and cash equivalents

2.1. Other operating revenue

Tender deposits	21,200	106,200
Elections-related revenue	32,725	51,596
Commission revenue	37,009	34,051
SMS Services	160,194	59,972
Other operating income	70,635	384,447
	321,763	**636,266**

3. Employee-related costs

Wages and salaries	378,333,073	382,458,886
Remunerative allowances	559,013	154,842
Employer's contributions	31,766,529	32,714,404
Gratuities	1,681,157	5,763,932
Relocation costs	217,391	281,652
	412,557,163	**421,373,716**

	March 2012 R	March 2011 R
4. Administrative expenditure		
Advertising	2,306,161	2,437,265
Conferences and seminars	42,314,148	46,861,269
Conferences and workshop meals	21,535,843	17,825,007
Consumables	5,681,225	8,250,079
Insurance	1,582,080	1,945,909
Printing and stationery	97,133,575	51,725,341
Professional services	292,582,328	261,970,216
Postage and courier	15,117,881	19,587,474
Property expenses: lease rentals	54,530,394	43,290,596
Property expenses: voting stations	9,812,432	19,822,348
Property expenses: other	11,359,584	12,913,721
Rentals: equipment and furniture	3,507,622	236,877
Software expenses	10,561,066	12,214,695
Study expenditure	816,328	589,447
Subscriptions and membership fees	1,188,456	1,354,429
Subsistence and travelling	205,289,825	96,978,869
Travel expenses	53,453,491	49,560,892
	828,772,439	**647,564,434**
5. Depreciation, amortisation and impairment		
Amortisation	10,718,531	6,462,157
Depreciation	45,716,430	41,435,885
Increase in impairment allowance – property, plant and equipment	599,375	4,442,214
Increase in impairment allowance – non-current assets held for sale	69,004	25,844
	57,103,340	**52,366,100**
6. Audit Fees		
Auditor-General	4,873,673	7,027,983
7. Finance Costs		
Foreign exchange differences	13,721	5,203
Interest paid on late payments to suppliers	6,717	22,541
Increase in impairment allowance – receivables	307,323	349,439
	327,761	**377,183**

Notes to the Annual Financial Statements
For the year ended 31 March 2012

	March 2012 R	March 2011 R
8. Repairs and Maintenance		
Appliances	7,470	7,679
Computer equipment	2,872,491	2,583,154
Motor vehicles	1,750,575	1,344,368
Buildings	3,239,486	2,249,372
Equipment	1,920,875	2,368,290
Furniture and fittings	288,270	3,492
	10,079,167	**8,556,355**
9. (Deficit)/surplus on disposal of assets		
(Deficit) on disposal of property, plant and equipment	(1,407,491)	(3,012,382)
(Deficit) on disposal of intangible assets	-	(87,067)
(Deficit) on disposal of assets held for sale	(91,457)	(274,930)
	(1,498,948)	**(3,374,379)**

10. Income taxation

No provision is made for income taxation, as the Commission is exempt from taxation in terms of legislation.

11. Property, plant and equipment

(All figures in Rands)

	March 2012			March 2011		
	Cost	Accumulated depreciation and impairment losses	Carrying Amount	Cost	Accumulated depreciation and impairment losses	Carrying Amount
Pre-fabricated buildings	1,043,604	(203,875)	839,729	383,600	(283,674)	99,926
Furniture and fittings	50,157,112	(10,852,277)	39,304,835	49,787,907	(7,991,530)	41,796,377
Motor vehicles	39,908,305	(9,627,327)	30,280,978	30,940,990	(11,002,312)	19,938,678
Office equipment	34,047,866	(13,128,500)	20,919,366	35,378,422	(11,133,048)	24,245,374
Computer equipment	131,916,922	(55,378,497)	76,538,425	97,052,240	(41,819,736)	55,232,504
Leasehold improvements	1,630,944	(1,304,755)	326,189	1,630,944	(978,566)	652,378
Scanners	167,872,496	(58,778,370)	109,094,126	169,408,828	(42,375,414)	127,033,414
Artwork	1,260,107	(877)	1,259,230	1,253,828	(844)	1,252,984
Cell phones	2,530	(1,216)	1,314	2,530	(443)	2,087
Appliances	4,327,745	(1,166,188)	3,161,557	4,321,169	(700,094)	3,621,075
Total	**432,167,631**	**(150,441,882)**	**281,725,749**	**390,160,458**	**(116,285,661)**	**273,874,797**

Reconciliation of property, plant and equipment – March 2012

	Opening balance	Additions	Disposals	Transfers	Depreciation	Impairment loss	Closing balance
Pre-fabricated buildings	99,926	799,103	(13,549)	-	(45,751)	-	839,729
Furniture and fittings	41,796,377	1,143,749	(141,214)	(53,778)	(3,403,104)	(37,195)	39,304,835
Motor vehicles	19,938,678	18,028,693	(600,817)	(3,044,974)	(4,040,602)	-	30,280,978
Office equipment	24,245,374	2,613,463	(145,165)	(672,884)	(5,089,798)	(31,624)	20,919,366
Computer equipment	55,232,504	37,107,259	(415,137)	(12,125)	(15,359,988)	(14,088)	76,538,425
Leasehold improvements	652,378	-	-	-	(326,189)	-	326,189
Scanners	127,033,414	-	(998,405)	-	(16,940,883)	-	109,094,126
Artwork	1,252,984	37,277	(4,248)	(26,422)	-	(361)	1,259,230
Cell phones	2,087	-	-	-	(773)	-	1,314
Appliances	3,621,075	59,017	(4,903)	(3,468)	(509,342)	(822)	3,161,557
Totals	**273,874,797**	**59,788,561**	**(2,323,438)**	**(3,813,651)**	**(45,716,430)**	**(84,090)**	**281,725,749**

Notes to the Annual Financial Statements
For the year ended 31 March 2012

Reconciliation of property, plant and equipment – March 2011

	Opening balance	Additions	Disposals	Transfers	Depreciation	Impairment loss	Closing balance
Pre-fabricated buildings	135,609	10,050	(5,419)	-	(40,314)	-	99,926
Furniture and fittings	12,271,890	35,076,753	(614,679)	(211,247)	(2,783,867)	(1,942,473)	41,796,377
Motor vehicles	13,125,180	7,780,875	(607,557)	2,107,961	(2,467,781)	-	19,938,678
Office equipment	15,456,315	13,460,106	(509,405)	(108,961)	(3,304,194)	(748,487)	24,245,374
Computer equipment	48,561,737	25,033,193	(1,608,978)	(4,844)	(15,073,240)	(1,675,364)	55,232,504
Leasehold improvements	1,271,323	-	(144,599)	-	(474,346)	-	652,378
Scanners	143,998,298	-	(21,177)	-	(16,943,707)	-	127,033,414
Artwork	428,351	864,491	(5,159)	(17)	-	(34,682)	1,252,984
Cell phones	456	1,995	-	-	(364)	-	2,087
Appliances	768,670	3,273,459	(30,714)	(1,060)	(348,072)	(41,208)	3,621,075
Totals	**236,017,829**	**85,500,922**	**(3,547,687)**	**1,781,832**	**(41,435,885)**	**(4,442,214)**	**273,874,797**

12. Intangible assets

(All figures in Rands)

	March 2012			March 2011		
	Cost	Accumulated amortisation and impairment losses	Carrying Amount	Cost	Accumulated amortisation and impairment losses	Carrying Amount
Computer software	87,659,993	(29,679,478)	**57,980,515**	84,430,186	(18,445,662)	**65,984,524**

Reconciliation of intangible assets – March 2012

	Opening balance	Additions	Amortisation	Impairment loss	Closing balance
Computer software	65,984,524	3,229,807	(10,718,531)	(515,285)	**57,980,515**

Reconciliation of intangible assets – March 2011

	Opening balance	Additions	Transfers	Amortisation	Closing balance
Computer software	38,573,786	34,055,421	(182,526)	(6,462,157)	**65,984,524**

Notes to the Annual Financial Statements
For the year ended 31 March 2012

	March 2012 R	March 2011 R

13. Inventories

Consumable stores	269,994	529,143
Promotional items	268,472	365,427
Electoral stock	13,532,028	26,813,151
	14,070,494	**27,707,721**

Electoral stock relates to stock that is acquired for elections.

14. Trade and other receivables from exchange transactions

Cash collateral provided: property rentals	7,108,031	1,968,767
Accrued interest	129,943	1,190,272
Sundry receivables	2,491,001	2,467,972
Less: Impairment allowance		
– sundry receivables	(275,115)	(400,995)
– cash collaterals	(70,643)	(70,643)
	9,383,217	**5,155,373**

15. Prepayments

Election-related expenses	-	4,133,737
Administrative expenses	7,866,835	3,898,017
Software licences	-	4,975,292
COIDA	-	702,398
	7,866,835	**13,709,444**

16. Cash and cash equivalents

Cash on hand	193,074	158,509
Bank balances	14,076,938	78,668,543
Short-term deposits	23,562,912	483,747,338
	37,832,924	**562,574,390**

Cash and cash equivalents comprise cash and short-term, highly liquid investments that are held with a registered banking institution with maturities of three months or less and that are subject to insignificant interest rate risk. The carrying amount of these assets approximates to their fair value.

The notice deposits are carried at an effective floating interest rate that varied between 4.90% and 5.43% (2011: 5.44% and 6.02%).

Notes to the Annual Financial Statements
For the year ended 31 March 2012

17. Non-current assets held for sale and assets of disposal groups

	March 2012		
	Cost	Accumulated depreciation	Carrying Amount
Opening balance	10,993,228	(10,748,781)	244,447
Computer equipment	281,485	(269,360)	12,125
Office machines and equipment	2,682,300	(2,009,417)	672,884
Furniture and fittings	225,497	(171,718)	53,778
Artwork	26,460	(38)	26,422
Appliances	28,489	(25,021)	3,468
Motor vehicles	7,924,884	(4,879,910)	3,044,974
Totals	**22,162,344**	**(18,104,245)**	**4,058,099**
Less: Disposals	(10,544,281)	10,422,868	(121,413)
Increase in impairment allowance – non-current assets held for sale	-	(69,004)	(69,004)
	11,618,063	**(7,750,381)**	**3,867,682**

	March 2011		
	Cost	Accumulated depreciation	Carrying Amount
Opening balance	121,470,372	(118,839,733)	2,630,639
Computer equipment	(5,889,701)	3,781,741	(2,107,960)
Office machines and equipment	2,112,974	(2,014,014)	108,960
Furniture and fittings	6,148,681	(5,937,433)	211,248
Artwork	3,053,984	(3,049,140)	4,844
Appliances	105,819	(104,760)	1,059
Motor vehicles	34,000	(33,983)	17
Totals	**127,046,129**	**(126,197,322)**	**848,807**
Less: Disposals	(116,052,901)	(115,474,385	(578,518)
Increase in impairment allowance – non-current assets held for sale	-	(25,844)	(25,844)
	10,993,228	**(10,748,781)**	**244,447**

Surplus / (deficit) on Sale of Assets	Surplus	Deficit	Net
Sale of assets March 2012	29,575	(121,032)	(91,457)
Sale of assets March 2011	295,062	(569,993)	(274,931)

Non-current assets held for sale and assets of disposal groups represent assets approved by the Electoral Commission for disposal. The assets will be disposed of during the 2012/13 financial year.

Included in this amount as at 31 March 2011 were assets with a cost of R10,107,373 that were transferred to the Department of Human Settlements in the financial year ended 31 March 2012. As these were transferred for no consideration, these had been written down to R1 per asset as at 31 March 2011. The net carrying amount of these assets, was R2,933.

	March 2012 R	March 2011 R
18. Operating lease liability		
Operating lease straight lining		
Leases – straight lining	**21,275,747**	**10,398,706**
Total minimum lease payments		
Not later than one year	46,228,559	32,079,178
Later than one year and not later than five years	186,008,704	156,066,169
Later than five years	102,291,022	107,789,141
	334,528,285	**295,934,488**

The minimum lease payments relate to building lease commitments only. Other contractual commitments are included under Note 25.

Operating leases relate to premises occupied by the Commission, including the national office and national warehouse, the nine provincial offices and provincial warehouses, and the 234 municipal electoral offices.

19. Trade and other payables from exchange transactions		
Trade payables	18,997,691	80,797,473
Payroll accruals	20,457,863	26,807,464
Deposits received	53,000	5,695,755
Sundry creditors	1,045,156	11,883,142
Cheques and EFTs not presented for payment	797,525	7,475,252
	41,351,235	**132,659,086**

20. Provisions

Reconciliation of provisions

	Opening balance	Reversed during the year	Additions	Closing balance
March 2012				
COIDA	-	-	367,936	367,936
March 2011				
COIDA	1,686,654	(1,686,654)	-	-

A provision is made for the estimated liability in respect of the Compensation for Occupational Injuries and Diseases Act (COIDA) in respect of employees who are injured on duty.

Notes to the Annual Financial Statements
For the year ended 31 March 2012

		March 2012 R	March 2011 R
21. Foreign and local aid assistance			
Anglo American		-	271,081
Department of Cooperative Governance and Traditional Affairs		4,216,955	-
		4,216,955	**271,081**

The Commission was appointed by the Department of Cooperative Governance and Traditional Affairs to manage and deliver 296 traditional councils' elections in KwaZulu-Natal. The Department pledged R18,000,000 for the project. The funds were received in the current financial year, R13,783,945 was used and R4,216,955 represents the balance rolled over to the new financial year.

Anglo American pledged an amount of R2,000,000 in the 2009 financial year for domestic observer training and voter education. The funds were received in 2010 and were utilised during the 2010/11 and 2011/12 financial years.

These funds received are not included as income nor are the payments made out of these funds treated as expenses as these amounts are only administered by the Commission on behalf of the relevant parties or beneficiaries. The net amount is reported in the statement of financial position as a current liability.

22. Cash generated from operations

Deficit / (surplus) for the year		(460,406,280)	320,936,606
Adjustments for:			
Depreciation and amortisation	5	56,434,961	47,898,041
Deficit on sale of assets		1,498,948	3,374,379
Increase in impairment allowance – property, plant and equipment	5	599,375	4,442,214
Increase in impairment allowance – non-current assets held for sale		69,004	25,844
(Decrease) / increase in impairment allowance – receivables		(125,880)	471,638
Movements in operating lease liability and accruals		10,877,041	6,998,526
Movements in provisions		367,936	(1,686,654)
Changes in working capital:			
Decrease / (increase) in inventories		13,637,227	(18,645,192)
(Increase) / decrease in trade and other receivables from exchange transactions		(4,101,964)	5,553,323
Decrease/ (increase) in prepayments		5,842,609	(6,716,143)
(Decrease) / increase in trade and other payables from exchange transactions		(91,307,850)	90,255,187
Increase / (decrease) in foreign and local aid assistance		3,945,874	(309,442)
		(462,668,999)	**452,598,327**

23. Financial Instrument Risk Management

Financial risk management

The Commission's activities have limited exposure to financial risk, liquidity risk and cash flow risk. Risk management is carried out by the Executive Risk Management Committee under policies approved by the Commission.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash. Due to the dynamic nature of the underlying operations, the Commission aims to maintain sufficient funding through a robust medium-term expenditure framework (MTEF) budgeting process.

The following are the contractual maturities of financial liabilities:

2012	Carrying Amounts	Contractual Cash Flow	1-12 months	2-5 years	Later than 5 years
	R	R	R	R	R
Trade and other payables	41,351,235	-	-	-	-
Operating leases	21,275,747	334,528,285	46,228,559	186,008,704	102,291,022
Commitments	-	25,414,990	23,053,062	2,361,928	-
Total	**62,626,982**	**359,943,275**	**69,281,621**	**188,370,632**	**102,291,022**
2011					
Trade and other payables	132,659,086	-	-	-	-
Operating leases	10,398,706	295,934,488	32,079,178	156,066,169	107,789,141
Commitments	-	78,958,909	61,890,568	17,068,341	-
Total	**143,057,792**	**374,893,397**	**93,969,746**	**173,134,510**	**107,789,141**

The Commission trades only with recognised, credit-worthy customers. Receivables are monitored on an on-going basis with the result that exposure to bad debts is not significant. For transactions that do occur out of the country, debts only result from signed agreements.

With respect to credit risk arising from cash and cash equivalents, cash is placed with authorised financial institutions. The carrying amounts of the financial assets represent the maximum credit exposure.

	March 2012 R	March 2011 R
The maximum exposure at the reporting date was:		
Trade and other receivables from exchange transactions	9,383,217	5,155,373
Cash and cash equivalents	37,832,924	562,574,390
	47,216,141	**567,729,763**

Notes to the Annual Financial Statements
For the year ended 31 March 2012

	March 2012 R	March 2011 R
The maximum exposure to credit risk for trade receivables at the reporting date by major customer cluster was:		
Cash collateral provided	7,108,031	1,968,767
Accrued interest – major South African banks	129,943	1,190,272
Sundry receivables – staff and suppliers	2,491,001	2,467,972
Less: Impairment allowance	(345,758)	(471,638)
	9,383,217	**5,155,373**

Impairment Losses

The ageing of trade receivables net of the allowance for credit losses at the reporting date was:		
Not past due	7,037,387	1,898,124
Past due 0–30 days	2,240,885	2,405,053
Past due 31–120 days	4,905	19,389
Past due 121–365 days	100,040	117,257
Past due – more than a year	-	715,550
	9,383,217	**5,155,373**

The due date of invoices is determined as being 30 days after the invoice date.

An amount of R345,758 has been provided for as doubtful debts and is included in the amounts disclosed above. This provision relates to identified invoices older than 365 days that were not committed for payment.

Interest rate risk

The Commission's exposure to the risk of changes in market interest rates relates primarily to cash in current accounts and notice deposits held with banks.

Cash and cash equivalents	37,832,924	562,574,390

Cash flow

The Commission manages its cash flow risk by aligning the monthly parliamentary allocation to its estimated monthly activity levels.

Parliamentary allocation	839,788,000	1,437,940,000

	March 2012 R	March 2011 R

Fair value

The Commission considers that the carrying amounts of trade and other receivables, cash and cash equivalents together with trade and other payables approximate to their fair values.

Trade and other receivables from exchange transactions	9,383,217	5,155,373
Cash and cash equivalents	37,832,924	562,574,390
Trade and other payables from exchange transactions	41,351,236	132,659,086

Foreign exchange risk

The Commission does not, in the normal course of business, operate internationally and has limited exposure to foreign exchange risk arising from various currency exposures. Transactions in foreign currency are primarily overseas subsistence and travel allowance.

Analysis of allowances for credit loss is as follows:

Written to income statement	129,926	307,014
Increase in provisions	215,832	164,624
Closing balance	**345,758**	**471,638**

24. Related parties

Key Management Compensation

Commissioners	**7,107,253**	**4,936,495**
Salaries	5,501,185	3,280,143
Short-term employee benefits	1,606,068	1,656,352
Executive management salaries	**7,584,148**	**9,055,231**
	14,691,401	**13,991,726**
Related party transactions		
Represented Political Parties Fund	**956,012**	**633,915**

Executive managers are members of the Government Employee's Pension Fund (GEPF) and will receive benefits in terms of the rules of the fund. Commissioners do not qualify for membership of the GEPF.

During the financial year, term of office for the Commissioners ended and new Commissioners were appointed on 8 November 2011 by the President of the Republic of South Africa. The new Commissioners appointed the Chief Electoral Officer on 13 February 2012.

Notes to the Annual Financial Statements
For the year ended 31 March 2012

	March 2012 R	March 2011 R
25. Commitments		
Commitments for capital expenditure		
Contracted	-	9,450,714
Commitments for operational expenditure		
Contracted	25,414,989	69,508,195
Approved but not contracted	5,571,174	24,206,970
Total commitments	**30,986,163**	**103,165,879**

Commitments disclosed take into consideration the escalation clauses as per the contractual agreements.

The operating lease commitments have been disclosed in the operating lease liability note (Note 18).

26. Contingencies		
Legal claims	-	125,729
Staff	360,438	-
Total commitments	**360,438**	**125,729**

Contingent liabilities relate to unfair dismissal claims. These claims will, in all probability, be finalised within the next financial year. The outcome cannot be determined with certainty.

27. Irregular expenditure		
Opening balance	238,060,364	14,600,771
Add: Irregular expenditure incurred in the current year	42,607,672	233,268,409
Less: Amounts approved by condoning authority	(64,796,384)	(9,808,816)
Less: Amounts deemed by the Accounting Officer not to be recoverable	(166,240,795)	-
	49,630,857	**238,060,364**

Irregular expenditure relates to non-compliance with Treasury Regulations and the Preferential Procurement Policy Framework Act (PPPFA). No action was taken against any official as there was no financial misconduct; it was only a matter of non-compliance.

Notes to the Annual Financial Statements
For the year ended 31 March 2012

	March 2012 R	March 2011 R
Irregular expenditure incurred		
Failure to obtain a tax clearance certificate	3,076,082	-
Tax clearance certificates were not obtained. This was an oversight on the part of the officials concerned.		
Incorrect vendor selected	6,426	-
Human error occurred in respect of vendor selection, and the lowest quote was not selected. The net cost to the Commission was R1,711. This matter is being investigated.		
Failure to comply with the requirements of the PPPFA – 2010/11 Expenditure	-	1,267,904
This relates to a lack of understanding as to the manner in which preference points are to be awarded in terms of the PPPFA, and the need to keep evidence of the scoring. This issue was identified and corrected in September 2010, but evidence for the application of the scoring for procurement between R30,000 and R100,000 that was conducted prior to this date was not retained. An electronic scoring template was introduced to prevent recurrence of this issue.		
Failure to indicate evaluation criteria on requests for quotations over R30,000.	9,404,945	153,145,295
PPPFA Regulation 7 indicates that an organ of state must, in tender documents, stipulate the preference point system which will be applied. A tender was defined in the Preferential Procurement Regulations 2001 as being "a written offer or bid in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services or goods". Management interpreted these sections as meaning that price quotations – which do not prescribe or stipulate the form of the response – are not tenders as defined in the Regulations and thus did not specify the preference point system that would be applied in respect of price quotations. This interpretation was challenged and clarification was sought from National Treasury who indicated that price quotations of R30,000 and above do need to specify the preference point system applied. Immediate steps were taken to address the issue for future procurement to prevent recurrence. In all of these cases the PPPFA scoring was applied however.		
Riverside Office Park – rentals	23,902,201	13,241,203
Riverside Office Park – turnkey costs	-	58,578,366
It became apparent during 2010 that the existing national office accommodation was inadequate and a process was undertaken to identify new accommodation as soon as practical before the upcoming elections. An invitation to prospective landlords for office relocation was placed in five local newspapers. Ten proposals were received. Ultimately, a turnkey solution was accepted from the successful bidder. This amount (being the amount expended in the relevant financial year), which includes the once-off turnkey costs, is disclosed as irregular due to the fact that a technical issue in respect of compliance arose, namely the failure to indicate the manner for evaluating the proposals (90:10) in the advertisement.		
Post-event purchase orders	6,218,018	7,035,641
This relates to procurement where the purchase order was completed post event. In some cases, this is unavoidable, due to the need to make emergency arrangements in case of unforeseen events at, for example, a registration weekend. This expenditure has been condoned.		
Total incurred	**42,607,672**	**233,268,409**

Notes to the Annual Financial Statements
For the year ended 31 March 2012

	March 2012 R	March 2011 R
Expenditure condoned		
Post-event purchase orders	(6,218,018)	(7,035,641)
Riverside Office Park turnkey costs	(58,578,366)	
Vehicle fleet maintenance		(2,773,175)
Total condoned	**(64,796,384)**	**(9,808,816)**
Expenditure not condoned, not deemed to be recoverable		
Failure to indicate evaluation criteria on requests for quotations over R30,000. The PPPFA was applied in these instances.	(153,145,295)	
Failure to comply with the requirements of the PPPFA		
2010/11 expenditure	(1,267,904)	
2009/10 expenditure	(11,827,596)	
Total not condoned, not deemed to be recoverable	**(166,240,795)**	**-**

The circumstances surrounding the incurring of irregular expenditure have been investigated and no action will be taken against any employee in respect of this expenditure, as there was no loss to the Commission. This expenditure was irregular due to technical compliance issues only. Steps have been taken to prevent recurrence.

Expenditure awaiting condonation

Failure to indicate evaluation criteria on requests for quotations over R30,000.		153,145,295
Failure to comply with the requirements of the PPPFA		
2010/11 expenditure		1,267,904
2009/10 expenditure		11,827,596
Riverside Office Park – rentals		
2011/12 expenditure	23,902,201	
2010/11 expenditure	13,241,203	13,241,203
Riverside Office Park turnkey costs		58,578,366
Failure to obtain a tax clearance certificate	3,076,082	
Incorrect vendor selected	6,426	
Failure to indicate evaluation criteria on requests for quotations over R30,000.	9,404,945	
Total	**49,630,857**	**238,060,364**

Notes to the Annual Financial Statements
For the year ended 31 March 2012

28. Fruitless and wasteful expenditure

	March 2012 R	March 2011 R
Fruitless and wasteful expenditure	**20,445**	**13,728**
Made up as follows;		
Opening balance	13,728	346,151
Add: fruitless and wasteful expenditure in the current year	6,717	36,269
Less: Amounts written off	-	(368,692)
	20,445	**13,728**

Amounts are being investigated and will either be written off or transferred to debtors.

29. Prior-period errors

Effect on the Statement of Financial Performance	
Decrease in employee-related costs 2010	(1,303,322)
Increase in employee costs 2009 and prior periods	12,503,882
Increase in administrative expenses 2010	2,233,023
	13,433,583
Effect on the Statement of Financial Position	
Increase in trade and other payables	11,200,560
Increase in operating expenses	2,233,023
Net decrease in unutilised surplus	**13,433,583**

The leave pay provision in the year ended 31 March 2010 was calculated based on the percentage expected to be expended in cash rather than accruing for the actual liability. The liability was recalculated as at 31 March 2010 and the comparative was restated.

Operating lease straight lining in the year ended 31 March 2010 was not calculated for municipal electoral office buildings of the Commission. This was corrected by calculating the liability as at 31 March 2010 and restating the comparative figures.

Notes to the Annual Financial Statements
For the year ended 31 March 2012

	March 2012 R	March 2011 R

30. Change in estimate

Useful Life Review

	Cost R	Accumulated depreciation R	Net book value R
Computer Equipment			
Before useful life review	131,916,922	(56,329,255)	75,587,667
After useful life review	131,916,922	(55,378,497)	76,538,425
Difference due to change in estimate		**(950,758)**	**(950,758)**
Office Equipment			
Before useful life review	34,047,866	(11,789,930)	24,104,589
After useful life review	34,047,866	(13,128,500)	24,245,474
Difference due to change in estimate	-	**1,338,570**	**1,338,570**
Furniture and Fittings			
Before useful life review	50,157,112	(10,889,332)	39,267,780
After useful life review	50,157,112	(10,852,277)	39,304,835
Difference due to change in estimate	-	**(37,055)**	**(37,055)**
Appliances			
Before useful life review	4,327,745	(1,169,346)	3,158,399
After useful life review	4,327,745	(1,166,188)	3,161,557
Difference due to change in estimate	-	**(3,158)**	**(3,158)**
Cell phones			
Before useful life review	2530	(1,286)	1,244
After useful life review	2530	(1,216)	1,314
Difference due to change in estimate	-	**(70)**	**(70)**
Computer Software			
Before useful life review	87,659,993	(29,716,021)	57,943,972
After useful life review	87,659,993	(29,679,478)	57,980,515
Difference due to change in estimate	-	**(36,543)**	**(36,543)**
Motor Vehicles			
Before useful life review	39,908,305	(10,296,348)	29,611,957
After useful life review	39,908,305	(9,627,327)	30,280,977
Difference due to change in estimate	-	**669,020**	**669,020**
TOTAL	-	**980,006**	**980,006**

31. Reconciliation between budget and statement of financial performance

	March 2012 R	March 2011 R
Net (deficit) / surplus as per statement of financial performance	**(460,406,280)**	**320,936,606**
Adjusted for:	**8,556,517**	**(635,065)**
Under/(over) collection of income as per budget	8,556,517	(635,066)
Expenses not budgeted	**68,281,625**	**66,588,705**
Depreciation	45,716,431	41,438,341
Amortisation	10,718,531	6,462,157
Impairment	668,378	4,465,602
Deficit on sale of assets	1,498,948	3,374,379
Write offs of current assets	-	349,439
Interest paid	6,717	22,541
Losses / (gains) on inventory	518,273	(105,533)
Lease equalisation	10,877,041	6,998,526
Increases / (decreases) in provisions	307,323	(1,686,654)
Leave pay accrual	(2,043,738)	5,264,704
Exchange rate loss	13,721	5,203
Underspending compared to budget	**(21,003,962)**	**(497,984,756)**
Net (deficit) as per approved budget	**(404,572,100)**	**(111,094,511)**

Detailed Income and Expenditure Statement
For the year ended 31 March 2012

Appendix A

	March 2012 R	March 2011 R
INCOME	**854,832,115**	**1,461,581,156**
Parliamentary allocation	839,788,000	1,437,940,000
Political party registration fees	4,200	25,900
Interest received	10,268,152	22,978,990
Sponsorship income	4,450,000	-
Other	321,763	636,266
EXPENDITURE	**1,315,238,395**	**1,141,144,182**
Personnel expenditure	412,557,163	421,373,716
Salaries	378,333,073	382,458,886
- Permanent staff	303,007,682	268,984,413
- Temporary staff	69,945,143	107,110,945
- Voter education fieldworkers	50,580	82,755
- Election support	41,570,968	63,206,219
- By-elections	859,320	1,462,790
- Registration	(17,567)	2,926,166
- Expansion staff	27,481,842	39,433,015
- MEO agents	5,380,248	6,363,528
Remunerative allowances – permanent staff	559,013	154,842
Gratuities – permanent staff	1,681,157	5,763,932
Employer's contributions	31,766,529	32,714,404
Relocation cost	217,391	281,652

IEC SOUTH AFRICA

Detailed Income and Expenditure Statement
For the year ended 31 March 2012

Appendix A

	March 2012 R	March 2011 R
Administrative expenditure	**828,772,439**	**647,564,434**
Subsistence expenditure	199,789,465	91,131,641
- Registration staff	226,119	89,833,679
- Election staff	197,467,126	32,977
- Other	2,096,220	1,264,985
Hotel expenditure	5,500,360	5,847,228
Travel expenditure	46,926,083	44,443,362
- Democracy development and voter education	1,894,571	3,702,950
- Other - corporate services	44,157,852	27,429,591
- Logistics and electoral matters	873,660	13,310,821
Air transport	6,527,409	5,117,530
Communication expenditure	20,799,106	19,587,475
Study expenses	816,328	589,447
Advertisements	2,306,161	2,437,265
Catering/entertainment expenditure	21,535,842	17,825,007
- Democracy development and voter education	2,630,702	2,612,072
- Other - Corporate Services	16,386,560	13,306,955
- Logistics and electoral matters	2,518,580	1,905,980
Membership and registration	1,188,456	1,354,429
Insurance	1,582,080	1,945,909
Conferences and workshops	42,314,148	46,861,269
Democracy development and voter education	8,146,611	15,659,428
Other - corporate services	12,273,492	19,105,959
Logistics and electoral matters	21,894,045	12,095,882
Printing and stationery	97,133,575	59,975,420
Purchase of equipment and software	10,561,066	12,214,695
Rented equipment	3,555,413	260,703
Rental - land and buildings	75,654,619	76,002,838
IEC offices and warehouses	47,938,897	47,568,393
MEO offices	17,947,581	8,638,211
Voting stations	9,768,141	19,796,234
Professional and other services	292,582,328	261,970,216
Government institutions	1,203	11,986
Computer services - wide area network	32,670,097	34,730,529
Private institutions	864,403	704,001
Legal costs	2,417,183	1,851,490
Bank charges	2,937,724	1,433,111
Contracted in	253,691,718	223,239,099

Detailed Income and Expenditure Statement
For the year ended 31 March 2012

Appendix A

	March 2012	March 2011
	R	R
Depreciation, amortisation and impairment	57,103,340	52,366,100
Audit fees	4,873,673	7,027,983
Finance cost	327,761	377,183
Maintenance and repairs	10,079,167	8,556,355
Miscellaneous expenditure	25,904	4,400
Deficit on disposal / scrapping of assets	1,498,948	3,374,379
(Deficit)/ surplus for the year	**(460,406,280)**	**320,936,606**

Departmental Expenditure Statement
For the year ended 31 March 2012

Appendix B

Relevant Strategic Objective	Total Expenditure	Personnel expenditure	Administrative expenditure	Consumables	Equipment	Land and Building rentals	Professional and other services
Internal Audit	10,400,872	1,344,987	33,516	28,197	0	0	8,994,172
Chief Electoral Officer	4,410,333	3,397,900	736,687	23,459	0	0	252,287
Commission Services	16,003,751	8,865,687	6,133,796	81,978	0	0	922,290
Total Chief Electoral Officer	**30,814,956**	**13,608,574**	**6,903,999**	**133,634**	**0**	**0**	**10,168,749**
Deputy Chief Electoral Officer	2,209,861	2,140,606	56,980	12,275	0	0	0
Risk and Legal Compliance Officer	-1,561	0	-1,561	0	0	0	0
Legal Services	5,883,823	2,193,795	1,258,218	261,111	0	0	2,170,699
Budget and Party Funding, Compliance Verification	2,631,306	2,554,198	28,961	48,147	0	0	0
Financial Services	69,446,589	6,197,312	350,429	238,651	59,671,685	0	2,988,512
Financial Management	7,805,045	345,951	356,229	20,442	0	0	7,082,423
Procurement and Asset Management	9,231,569	5,736,370	650,426	99,048	0	0	2,745,725
Human Resources	285,021,542	56,524,239	224,797,801	171,325	56,975	0	3,471,202
HR, Skills Development and Training, Support Services	1,485,877	1,429,174	52,845	3,858	0	0	0
Skills Development and Training	23,779,838	3,383,530	18,608,325	964,148	0	0	823,835
Support Services	63,954,689	5,362,645	8,011,602	587,821	158,247	36,316,953	13,517,421
Business Enterprise Systems	80,483,569	5,638,338	74,830	59,021	0	0	74,711,380
Information Communication Technology	16,102,761	1,385,898	99,499	300	10,434,694	0	4,182,370
IT Operations Services	74,202,743	2,608,618	855,390	46,335	2,287,164	0	68,405,236
Total for Corporate Services	**642,237,651**	**95,500,674**	**255,199,974**	**2,512,482**	**72,608,765**	**36,316,953**	**180,098,803**
Total for national office: Administration	**673,052,607**	**109,109,248**	**262,103,973**	**2,646,116**	**72,608,765**	**36,316,953**	**190,267,552**
Deputy Chief Electoral Officer	1,905,257	1,827,401	58,331	19,525	0	0	0
Delimitation, Voting, Counting, Results and By-elections	49,276,111	3,652,151	14,135,170	1,563,609	5,860	272,295	29,647,026
Electoral Matters	1,595,911	1,521,771	68,950	5,190	0	0	0
Candidate Nomination, Party Liaison, Voters Roll and Registration	12,053,030	7,942,040	1,857,693	95,199	0	0	2,158,098
Infrastructure, Courier Services	51,833,896	7,043,786	18,539,952	2,563,425	3,190	19,796,066	3,887,477
Logistics and Infrastructure	1,601,933	1,573,134	13,033	15,766	0	0	0
Logistics	151,045,845	7,024,525	15,974,340	86,438,663	58,467	7,647,361	33,902,489
Total for Electoral Operations	**269,311,983**	**30,584,808**	**50,647,469**	**90,701,377**	**67,517**	**27,715,722**	**69,595,090**

Departmental Expenditure Statement
For the year ended 31 March 2012

Appendix B

Relevant Strategic Objective	Total Expenditure	Personnel expenditure	Administrative expenditure	Consumables	Equipment	Land and Building rentals	Professional and other services
Deputy Chief Electoral Officer	1,394,898	1,395,101	-203	0	0	0	0
Civic Education and EDDE	42,019,852	23,371,946	9,895,991	792,490	0	0	7,959,425
Civic Education, Research and Knowledge Management	1,360,312	1,283,674	75,879	759	0	0	0
Research, Library, Knowledge Management	6,759,151	3,691,778	47,809	984,641	0	0	2,034,923
Communication	49,746,779	2,833,877	5,636,940	6,723,866	0	0	34,552,096
Total for Outreach	**101,280,992**	**32,576,376**	**15,656,416**	**8,501,756**	**0**	**0**	**44,546,444**
Total for national office: Operations	**370,592,975**	**63,161,184**	**66,303,885**	**99,203,133**	**67,517**	**27,715,722**	**114,141,534**
Total for national office	**1,043,645,582**	**172,270,432**	**328,407,858**	**101,849,249**	**72,676,282**	**64,032,675**	**304,409,086**
Eastern Cape	46,670,194	42,948,948	2,062,273	116,936	0	1,103,684	438,353
Free State	24,328,958	20,693,929	1,649,577	122,498	0	1,591,766	271,188
Gauteng	27,030,420	23,613,412	1,424,926	76,390	20,817	1,614,868	280,007
Kwazulu-Natal	48,313,804	44,358,093	2,471,690	150,864	0	697,680	635,477
Mpumalanga	22,841,106	19,914,994	1,406,947	50,674	11,377	1,250,205	206,909
Northern Cape	25,112,764	21,928,887	1,475,516	98,915	50,181	1,332,727	226,538
Limpopo	30,837,961	26,781,818	1,839,894	128,585	0	1,880,090	207,574
North West	22,824,638	19,929,316	1,537,504	128,805	11,655	901,222	316,136
Western Cape	23,632,968	20,117,333	1,667,972	91,884	0	1,249,702	506,077
Total for regional offices	**271,592,813**	**240,286,730**	**15,536,299**	**965,551**	**94,030**	**11,621,944**	**3,088,259**
Departmental Expenditure	**1,315,238,395**	**412,557,162**	**343,944,157**	**102,814,800**	**72,770,312**	**75,654,619**	**307,497,345**

Total income	**R854,832,115**
Deficit for the year	**(R460,406,280)**
Unutilised surplus at 31 March 2011	**R805,921,823**
Unutilised surplus at 31 March 2012	**R345,515,543**

Section 4

List of acronyms and abbreviations

AAEA	Association of Asian Election Authorities
AAPAM	African Association for Public Administration and Management
AAPSIA	All Africa Public Service Innovation Awards
AU	African Union
CAE	Chief Audit Executive
CEO	Chief Electoral Officer
CCMA	Commission for Conciliation, Mediation and Arbitration
CoGTA	(Department of) Cooperative Governance and Traditional Affairs
CPSI	Centre for Public Service Innovation
DeafSA	Deaf Federation of South Africa
DMA	District management area
DRC	Democratic Republic of the Congo
ECF	Electoral Commissions Forum
EE	Employment equity
GAAP	Generally Accepted Accounting Practice
GEPF	Government Employees Pension Fund
GIS	Geographic Information Systems
GRAP	Generally Recognised Accounting Practice
HR	Human resources
HSRC	Human Sciences Research Council
ICASA	Independent Communications Authority of South Africa
ICT	Information and communication technology
IP	Intellectual property
IFRS	International Financial Reporting Standards
International IDEA	International Institute for Democracy and Electoral Assistance
LAN	Local area network
MDB	Municipal Demarcation Board
MDDA	Media Development and Diversity Agency
MEO	Municipal Electoral Officer
MPLC	Municipal Party Liaison Committee

List of acronyms and abbreviations

NCRF	National Community Radio Forum
NEHAWU	National Education and Allied Workers Union
NPLC	National Party Liaison Committee
PBSU	Portable barcode scanner unit
PFMA	Public Finance Management Act
PPPFA	Preferential Procurement Policy Framework Act
PR	Proportional representation
PRISA	Public Relations Institute of Southern Africa
QCTO	Quality Council for Trades and Occupations
ROC	Results Operation Centre
SABC	South African Broadcasting Corporation
SADC	Southern African Development Community
SALGA	South African Local Government Association
SANCB	South African National Council for the Blind
SDL	Skills Development Levy
UN	United Nations
UNDP	United Nations Development Programme
UNPSA	United Nations Public Service Awards
WAN	Wide area network

Contact Details

Provincial offices

Province	City/town	Telephone	Fax	Physical address
Eastern Cape	East London	043 709 4200	043 722 5331	The Mansions, 14 Ganteaume Crescent, Quigney, East London
Free State	Bloemfontein	051 401 5000	051 430 7585	NRE Building, 161 Zastron Street, Westdene, Bloemfontein
Gauteng	Johannesburg	011 644 7400	011 644 7448	1st Floor, A-Block, Empire Park, 55 Empire Road, Parktown, Johannesburg
KwaZulu-Natal	Durban	031 279 2200	031 279 2226	Westville Civic Centre, Main Building, William Lester Drive, Westville
Limpopo	Polokwane	015 283 9100	015 297 2506	5 Dimitri Crescent, Platinum Park, Bendor, Polokwane
Mpumalanga	Nelspruit	013 754 0200	013 753 2564	Nelplex Building, 13 Van Rensburg Street, Nelspruit
North West	Mafikeng	018 391 0800	018 391 0851	Protea Office Park, 103 Sekame Street, Mmabatho, Mafikeng
Northern Cape	Kimberley	053 838 5000	053 831 8095	Block 4, Mornridge Office Park, cnr. Kekewich & Monument Roads, Monument Heights, Kimberley
Western Cape	Cape Town	021 910 5700	021 910 4965	The Bridge, 1st Floor, Unit 4, 304 Durban Road, Bellville, Cape Town

National Office

Election House
Riverside Office Park
1303 Heuwel Avenue
Centurion
0157

Tel: 012 622 5700
Fax: 012 622 5784

Email: webmaster@elections.org.za
Website: www.elections.org.za
Facebook: http://www.facebook.com/IECSouthAfrica
Twitter: @IECSouthAfrica

IEC SOUTH AFRICA

ELECTION HOUSE
Riverside Office Park
1303 Heuwel Avenue
Centurion, 0157

Private Bag X112
Centurion, 0046
South Africa

RP142/2012

ISBN: 978-0-621-40873-7